UTAH VISITOR PROFILE 2004
UTAH TOURISM CONFERENCE | CEDAR CITY

PRESENTED BY:

Ed McWilliams, PhD.
Senior Vice President, Account Services
D.K. Shifflet & Associates Ltd.

Agenda

- DKS&A Company Overview
- Review of Visitor Segments - What data did we analyze?
- Marketing Model
  - Market Assessment - Regional Visitation and Satisfaction and Value
  - Targeting - Demographics
  - Positioning - Travel Behaviors and Characteristics
  - Communicating - Origin Markets and Travel Distance
- Key Conclusions and Recommendations

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DKS&A Company Overview

- Founded in 1982, DKS&A specializes in syndicated and custom market research in the travel and tourism industry.
- Our syndicated study PERFORMANCE/*Monitor*SM is the largest, ongoing travel tracking study in the industry.
  - Mail out an average of 45,000 surveys monthly
    - Each survey collects the previous 3 months of travel behavior.
    - More than 70,000 traveling households respond to the survey each year. This results in more than 145,000 stays at destinations throughout the U.S.
  - Each returned survey is rebalanced to accurately represent the U.S. population
    - age, gender, income, education, number of adults, and state of residence
- DKS&A works with a variety of clients
  - City Convention & Visitor Bureaus and State Tourism Offices
  - Hotel chains
  - Timeshares
  - Attractions
  - Credit cards
  - Financial Institutions

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Utah Visitor Profile Vitals

Travel definition: An overnight trip or any day-trip greater than 50 miles one-way from home.

• *Objective* - Describe the *domestic* travel market in Utah (various segments) compared to the U.S. and competition.

• *Sampling Frame* - All U.S. domestic travelers on mail panel during the calendar year in the following destinations and travel segments:

Utah Specific Travel Segments	
- Utah Overnight Leisure (ONL)	350 in 2004
- Utah Total Non-Resident	397 in 2004
- Utah Non-Resident ONL	263 in 2004
- Utah Total Resident	352 in 2003/2004
- Utah Total Day Trip	241 in 2003/2004
Competitors	
- Comp Set in Aggregate ONL	4270 in 2004
- Colorado ONL	828 in 2004
- Arizona ONL	953 in 2004
- Nevada ONL	2155 in 2004
- Northern Rockies Region ONL (Wyoming, Montana and Idaho combined)	619 in 2004
Utah Regions	
- Salt Lake County ONL =	482 in 2003/2004
- Southern Utah Region ONL (Washington, Iron, Kane, Garfield, San Juan, Grand, and Wayne counties)	392 in 2002/2003/2004

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The DKS&A Marketing Model

Market Assessment

Visitor Volume and Spending - *Custom Volume Model Results Coming in Summer 2005*
What region do Utah travelers visit?
How do Utah visitors rate the state?

Targeting

Who are Utah's most important visitors?

Positioning

How should Utah position its product?

Communicating

Where should Utah advertise and promote?

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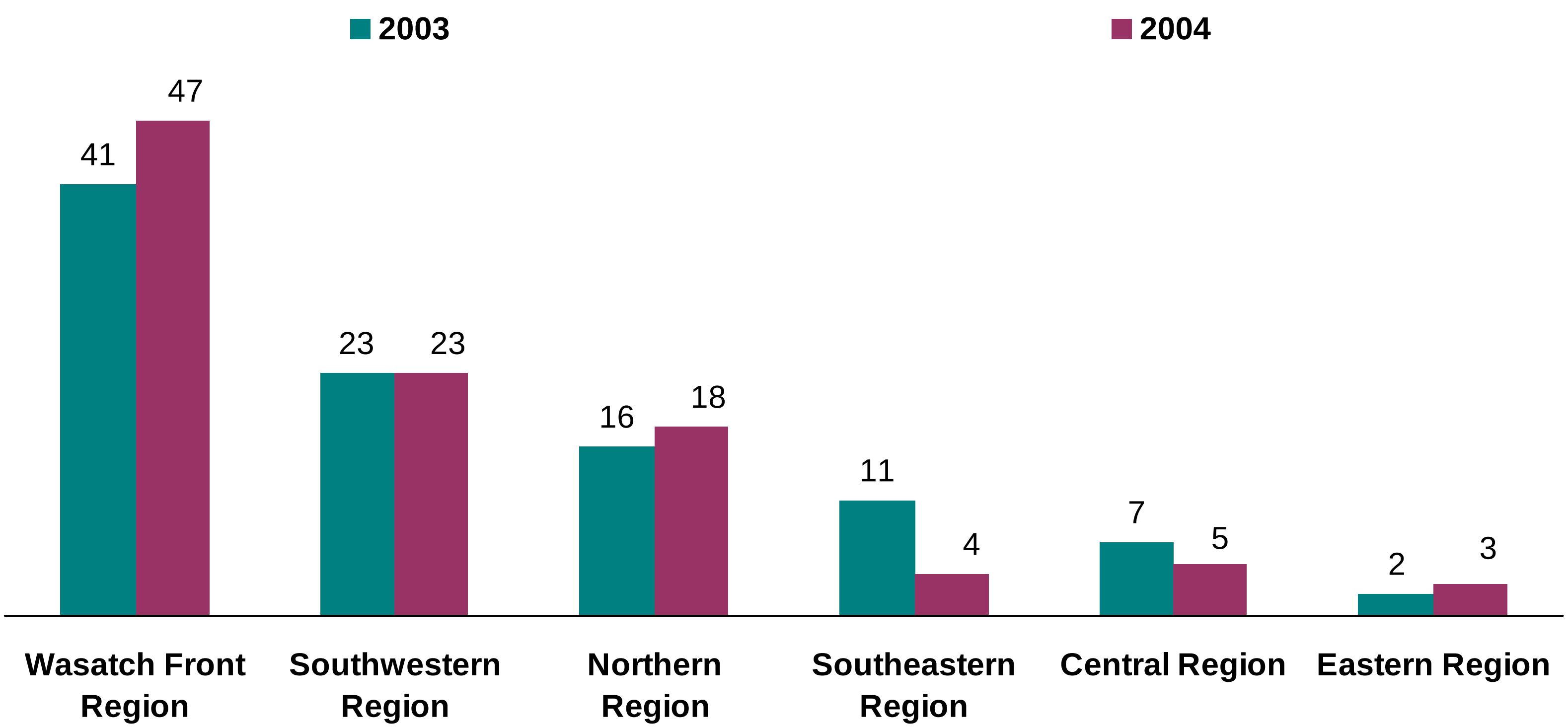
Utah Overnight Leisure Regional Travel
(2003 vs. 2004/% of Overnight Leisure Person-Trips)

- Utah's Wasatch Front hosted the highest share of ONL travelers in both 2003 and 2004.
- Increase in share of travelers occurred in the Wasatch Front Region which countered a large decline in share of travel to and within the Southeastern Region.



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Destination Satisfaction and Value

- How does Utah rate in terms of Satisfaction and Value for the Money?

- Scale of 1-10
  - 1 = Poorest
  - 10 = Excellent

- % 8-10 = Excellent/High Ratings are plotted

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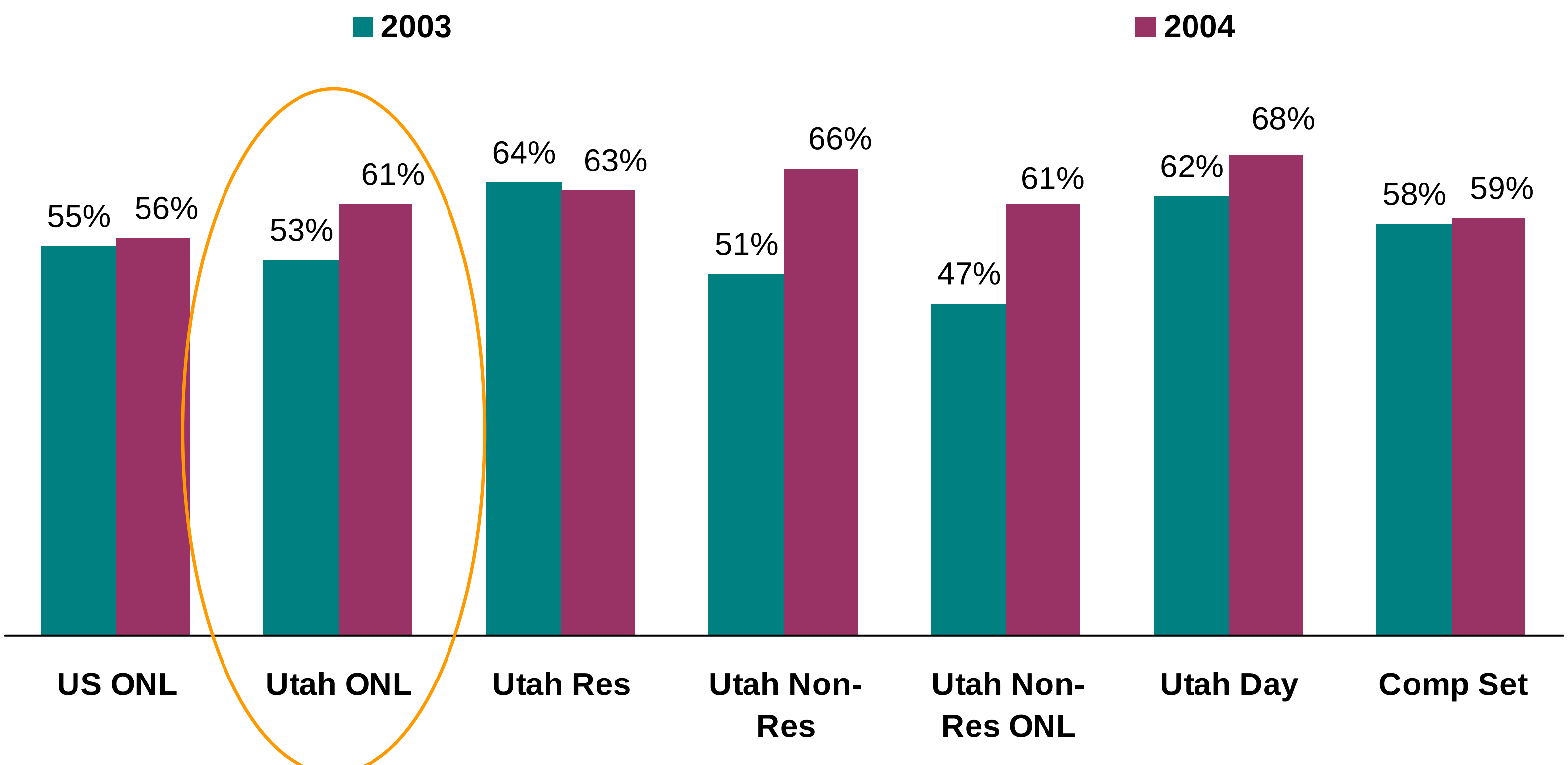
Excellent Value Ratings by Travel Segment: U.S., Competitive Set, and Utah
(2004/%8-10 on 10 point scale, Person-Trips)

- Value ratings rose among Utah ONL visitors, from 53% Excellent in 2003 to 61% in 2004.
- Just under two-thirds of Utah's ONL visitors rated the state "Excellent" for Satisfaction with the destination as a whole in 2004, up from 58% in 2003.
- Utah Non-Residents reported higher Satisfaction (up 15 percentage points) and Value ratings in 2004.



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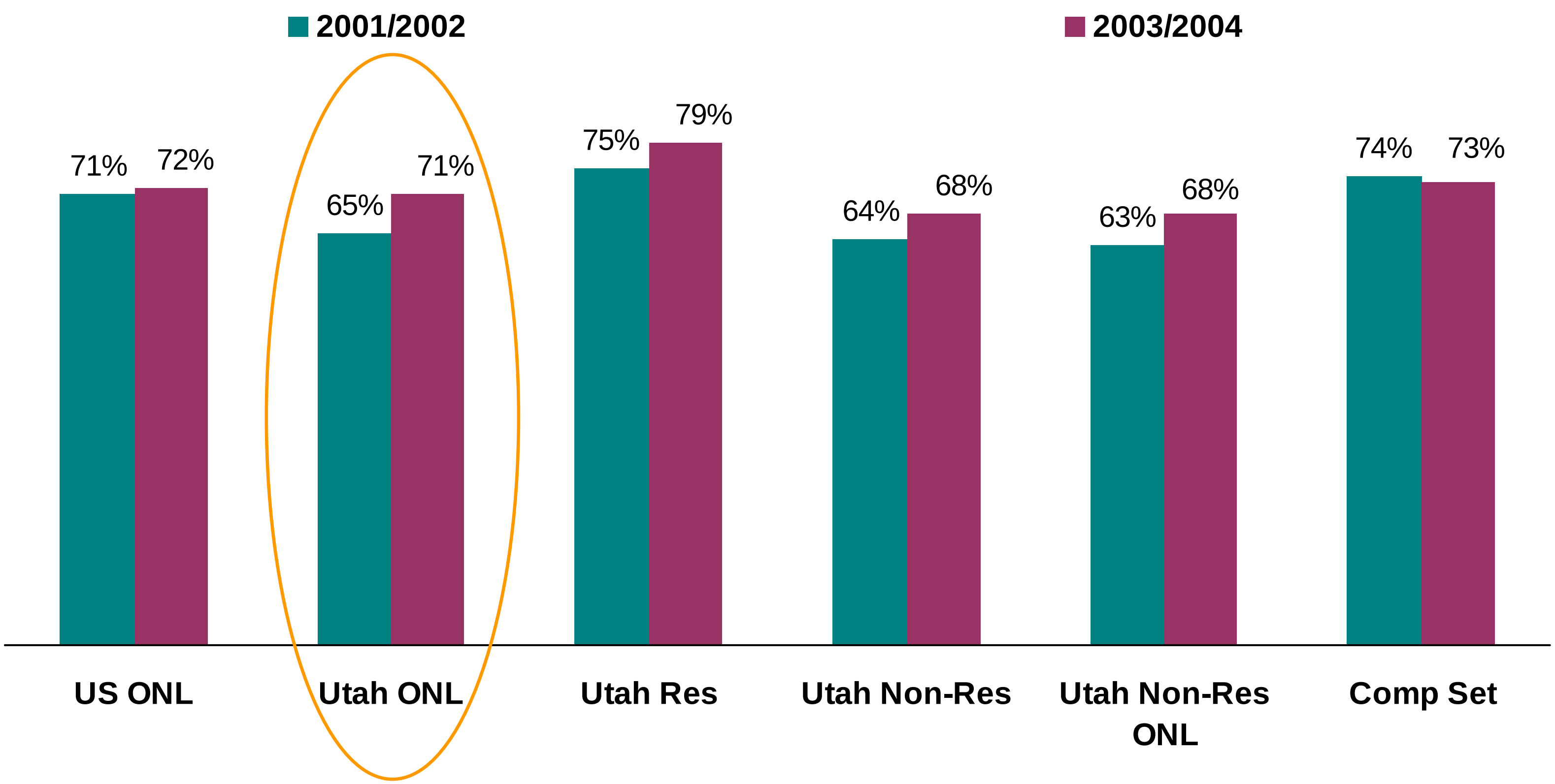
Excellent Hotel Satisfaction Ratings by Travel Segment: U.S., Competitive Set, and Utah

(2003/2004 vs. 2001/2002/%8-10 on 10 point scale, Person-Trips)

- An even higher share of Utah ONL travelers rated the hotel Excellent in terms of Satisfaction than they did the destination as a whole (71% for the hotel and 62% for the destination).
- Utah's hotel satisfaction rating was similar to that of both the US and its Comp Set.
- Satisfaction with Utah hotels among ONL visitors increased from 2003 to 2004.



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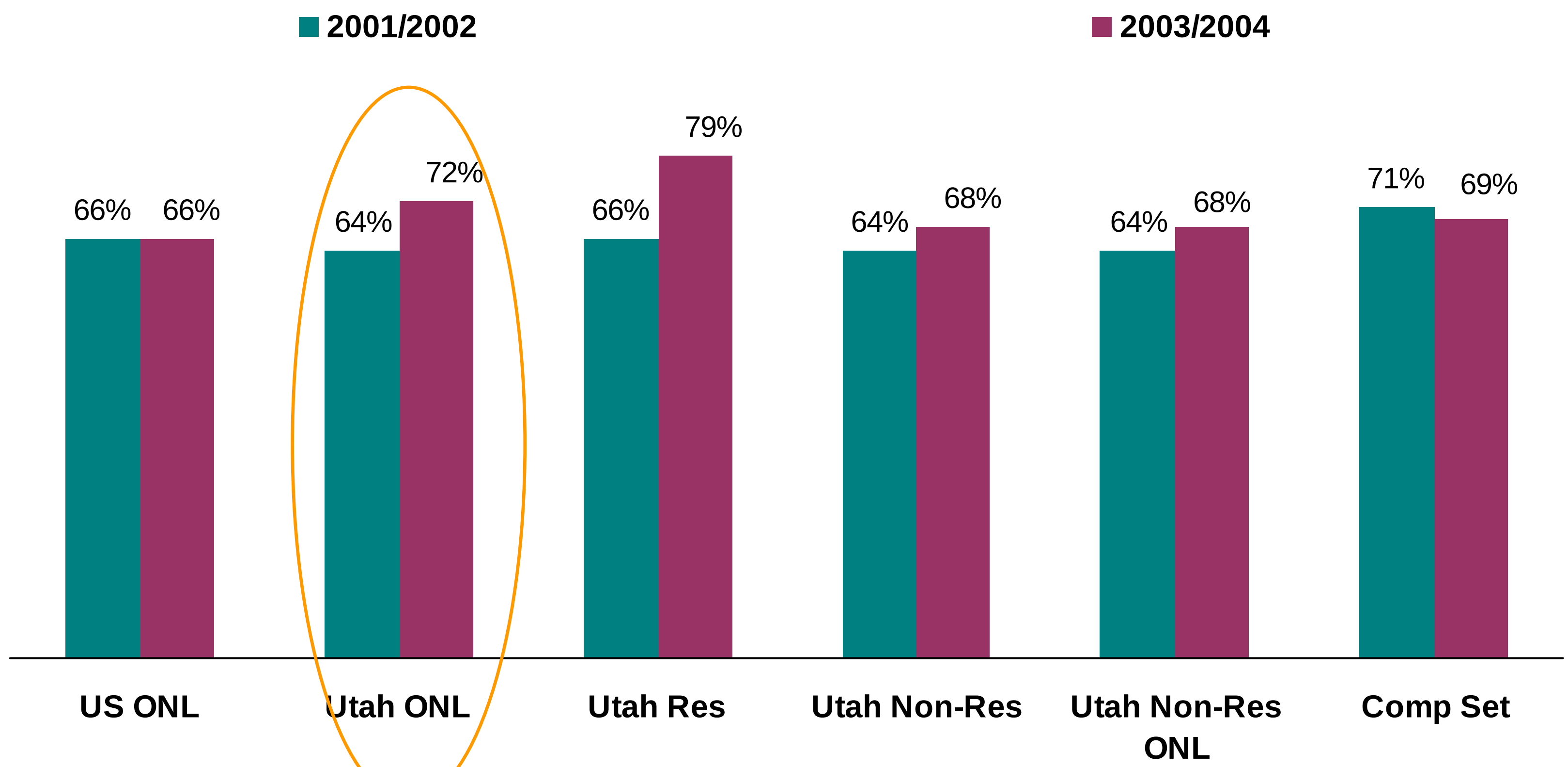
Excellent Hotel Value Ratings by Travel Segment: U.S., Competitive Set, and Utah

(2003/2004 vs. 2001/2002/%8-10 on 10 point scale Person-Trips)

- Utah ONL visitors also provided higher hotel value ratings (72%) than they did the destination as a whole (61%) in 2004.
- Hotel Value ratings increased for Utah ONL travelers from 2003 to 2004.
- Utah ONL travelers reported higher Hotel Value ratings than the US and slightly higher than its Comp Set.



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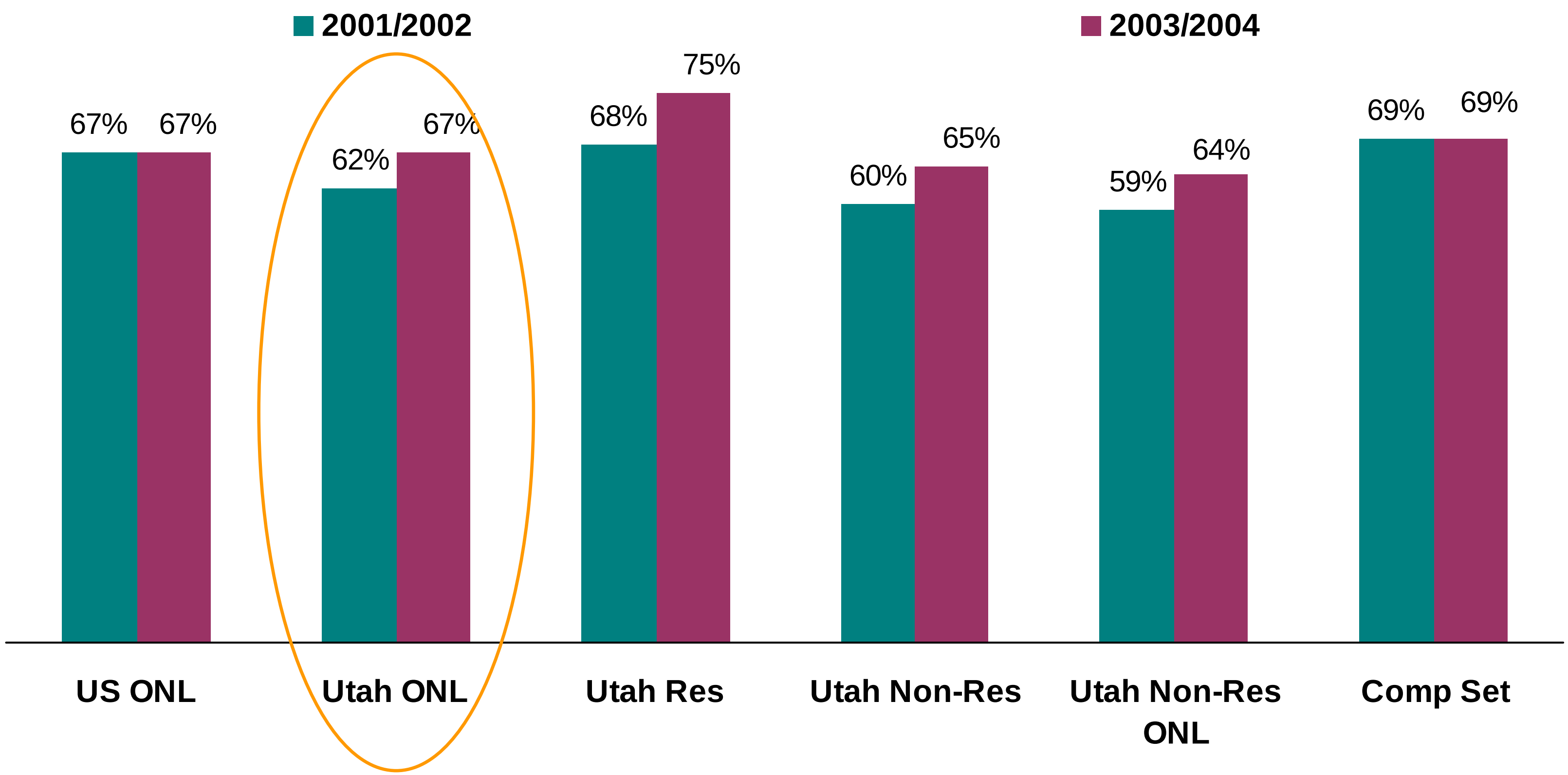
Excellent Hotel Service Ratings by Travel Segment: U.S., Competitive Set, and Utah

(2003/2004 vs.2001/2002/%8-10 on 10 point scale Person-Trips)

- Utah ONL travelers also reported a high share of excellent ratings for hotel service (67%), up from 62% in 2003.
- Utah's ONL hotel service ratings were similar to both the US and Comp Set in 2004, but Utah was the only one to experience an increase in share of Excellent Hotel Service ratings from 2003 to 2004.



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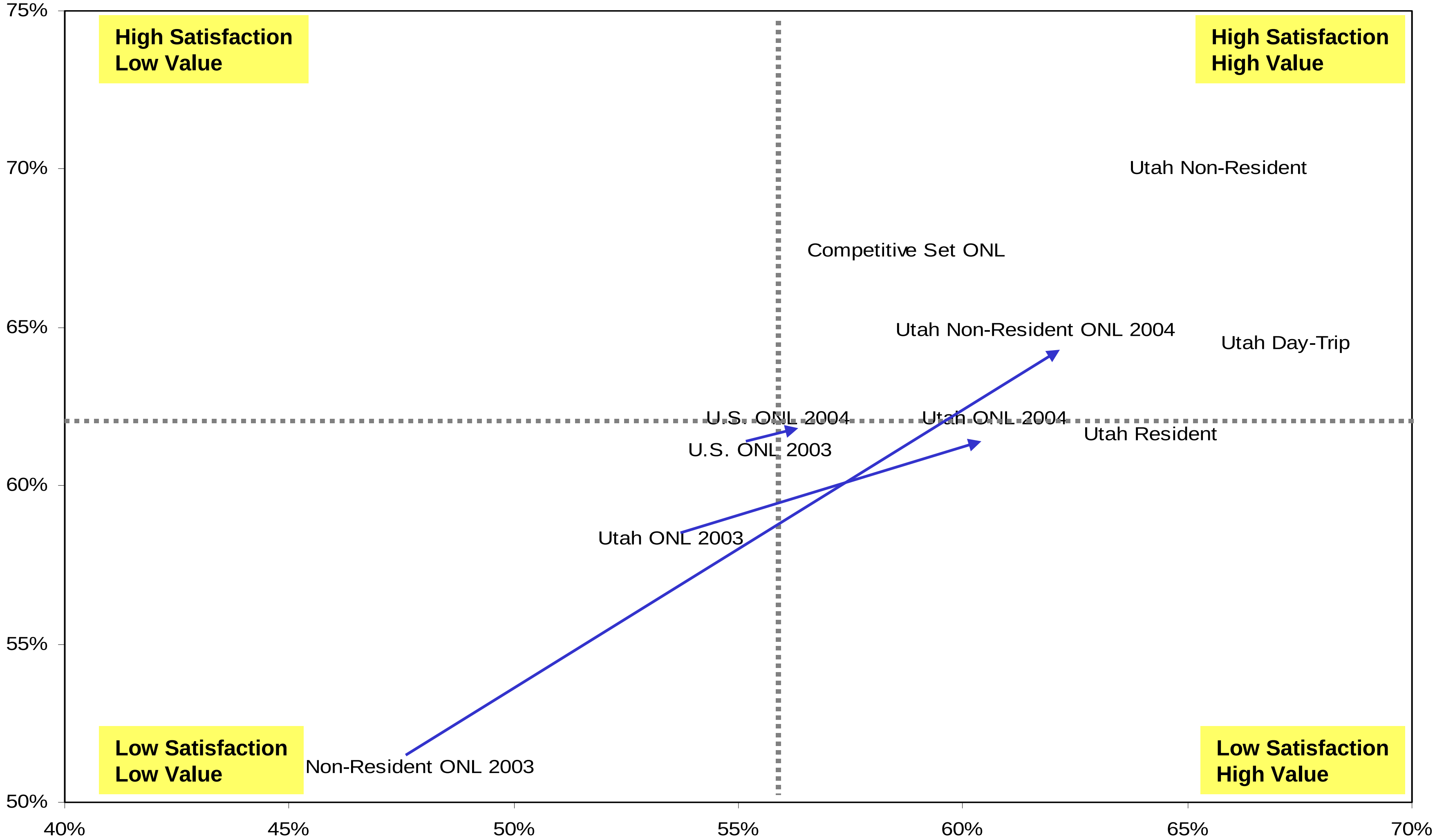
Satisfaction vs. Value: Utah and Competitors
(2003 vs. 2004/Person-Trips)



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Satisfaction and Value Summary

- Both Satisfaction and Value ratings for Utah as a destination rose among Utah ONL travelers from 2003 to 2004.
  - Utah Non-Residents (both Business and Leisure) reported the highest and most increased Satisfaction ratings among the Utah travel segments.
  - Among Overnight Leisure travelers, Utah's Satisfaction ratings were the same as the US, but lower than the Comp Set as a whole.
  - Utah Day trippers reported the highest Value ratings among the Utah travel segments.
  - Utah Non-Residents again had the largest increase in Value ratings from 2003 to 2004.

- Utah performed even better in terms of Hotel satisfaction, value and service compared to the ratings for the destination as a whole
  - Utah ONL Hotel Satisfaction, Value and Service ratings each rose from 2001/2002 to 2003/2004
  - Utah ONL travelers reported similar Hotel Satisfaction ratings as the US and Comp Set in 2003/2004.
  - Utah ONL travelers reported higher Hotel Value ratings than the US, but similar to the Comp Set.
  - Utah ONL travelers reported similar Hotel Service ratings as the US and Comp Set in 2003/2004.

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Targeting Introduction

Who are Utah's Visitors?

How are they different/similar to competing destinations?

- Generations (Age)
- Children
- Life Stage
- Household Income
- Occupation of Respondent

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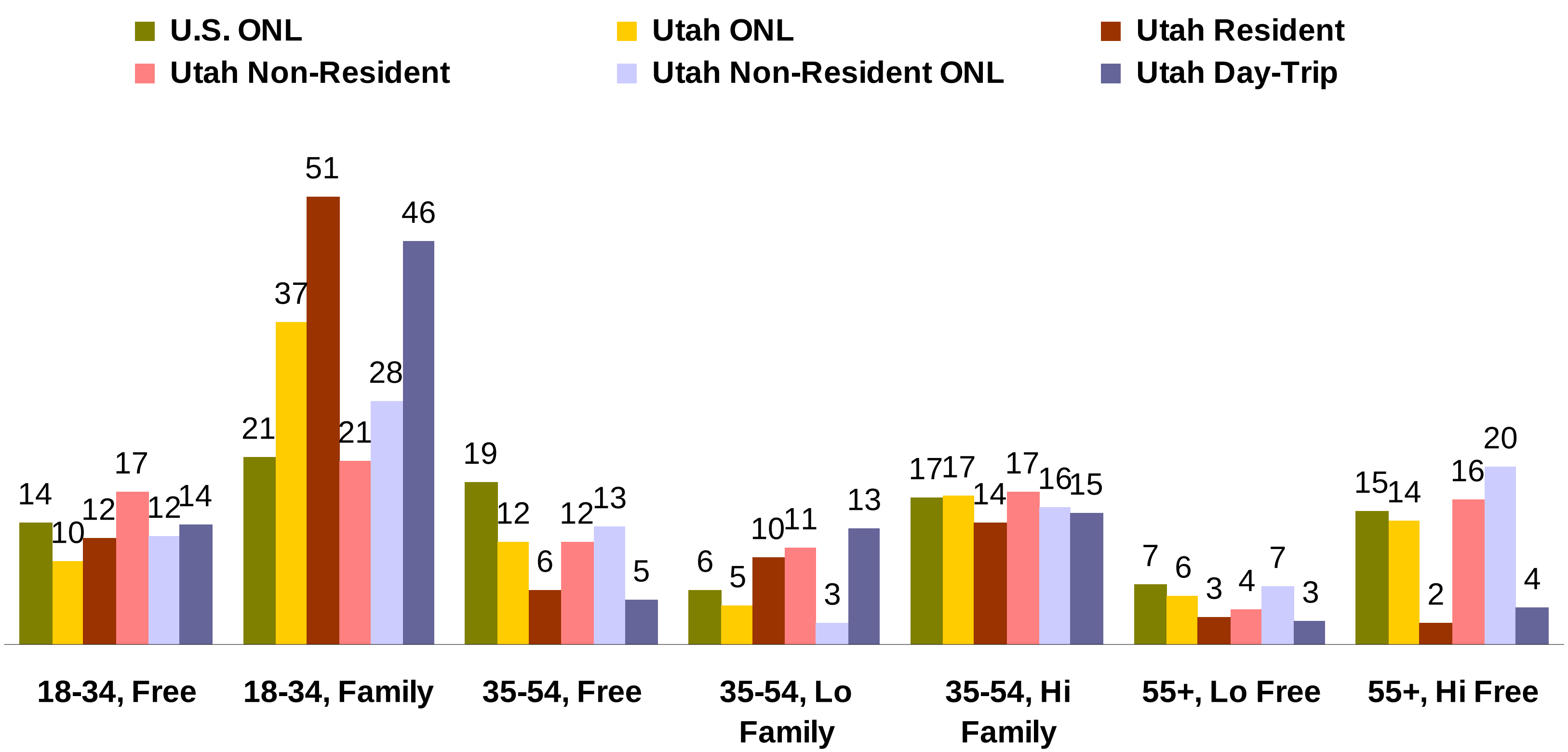
U.S. and Utah Lifestage Distribution
(2004/% of Person-Trips)

- Lifestage analysis combines three variables – age, children in the household, and household income – into one variable containing seven mutually-exclusive lifestages.
- The greatest proportion of Utah ONL visitors are in the lifestage defined by 18-34 Families.



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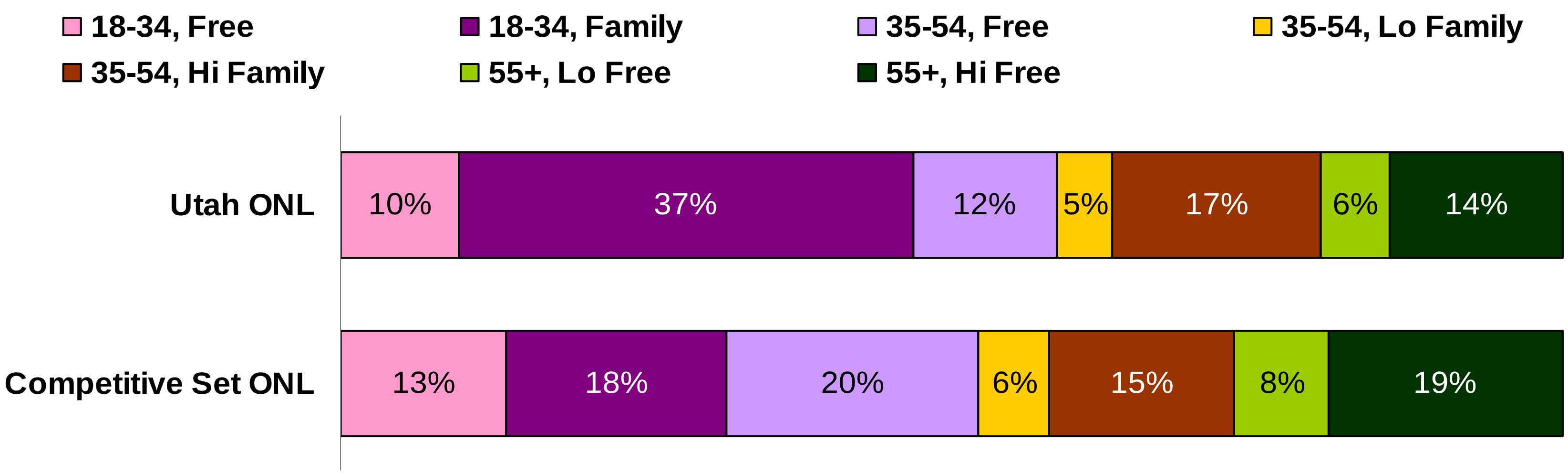
Utah and Competitive Set Lifestage Distribution

(2004/% of Overnight Leisure Person-Trips)

- Utah ONL visitors are significantly more likely to be in the 18-34 Family life stage relative to competitors.
- Utah ONL visitors are also considerably less likely to be in the 35-54 without children (free) or the 55+ High Income No Children (free) category relative to the Comp Set.



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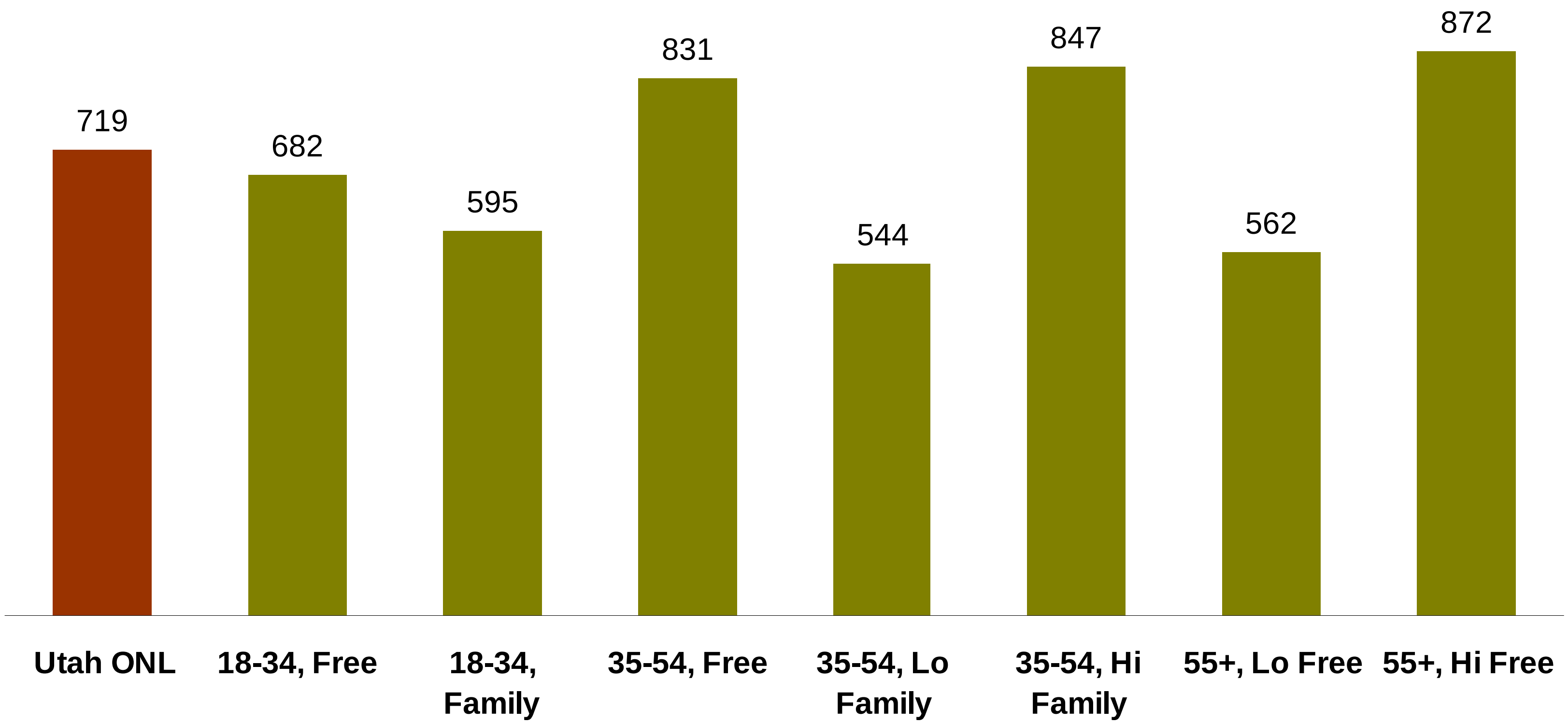
Utah Avg. Party per Trip Spending by Lifestage
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- Travelers 55+ with high incomes and no children in the household spent the most per party per their Utah trip. This high dollar amount links up well with the increase in proportion of these travelers from 2003 to 2004.
- Travelers 35-54 with high incomes and children, along with travelers ages 35-54 without children also contributed high dollar amounts in 2004.



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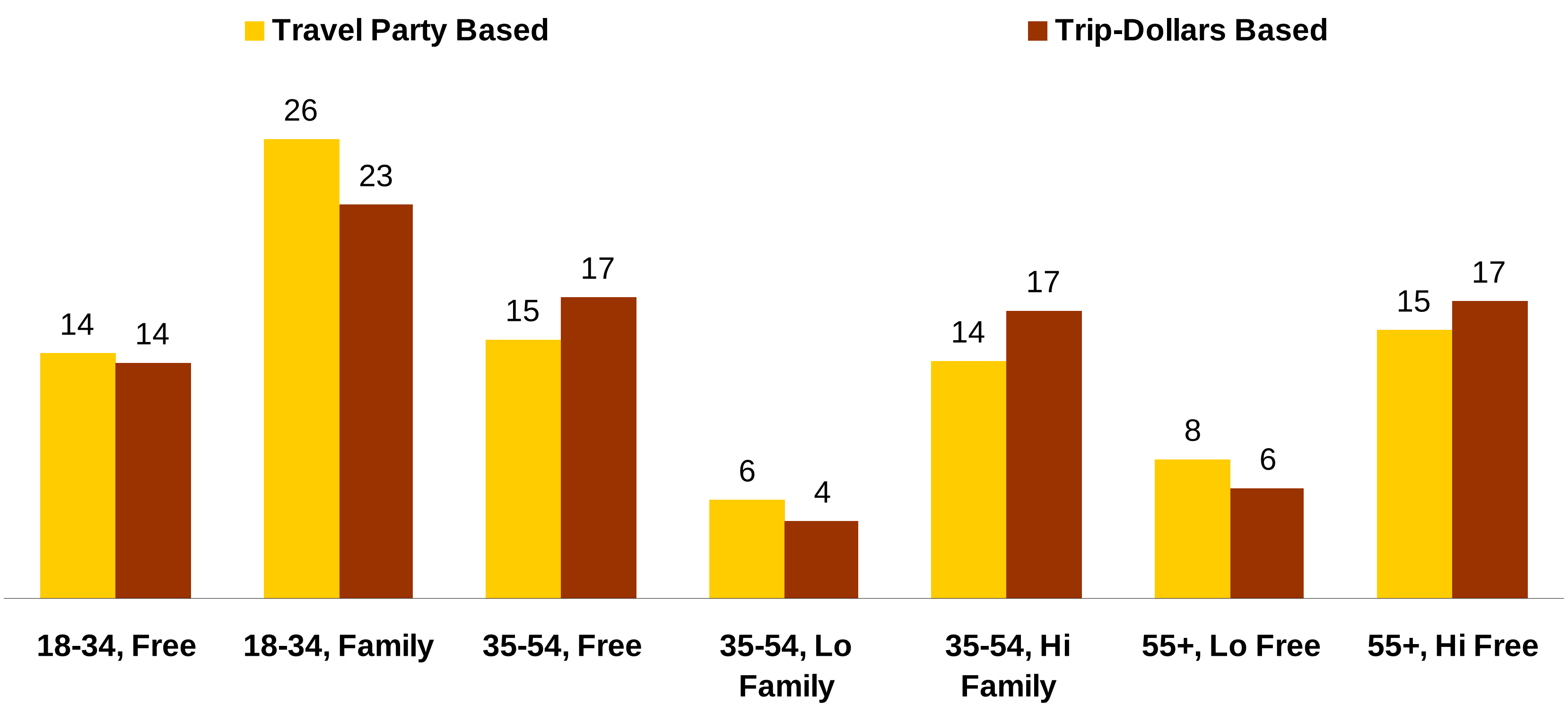
Utah Lifestage Distribution
(2002, 2003, 2004/% of Overnight Leisure)

- When considering the number of travel parties and the dollars they contribute across the life stage categories, the 18-34 Family life stage provides the highest shares of both parties and dollars.
- 35-54 Couples,35-54 Hi $ Family, and the 55+,Hi$ Free segments carry equal weight as the 3 other top segments.



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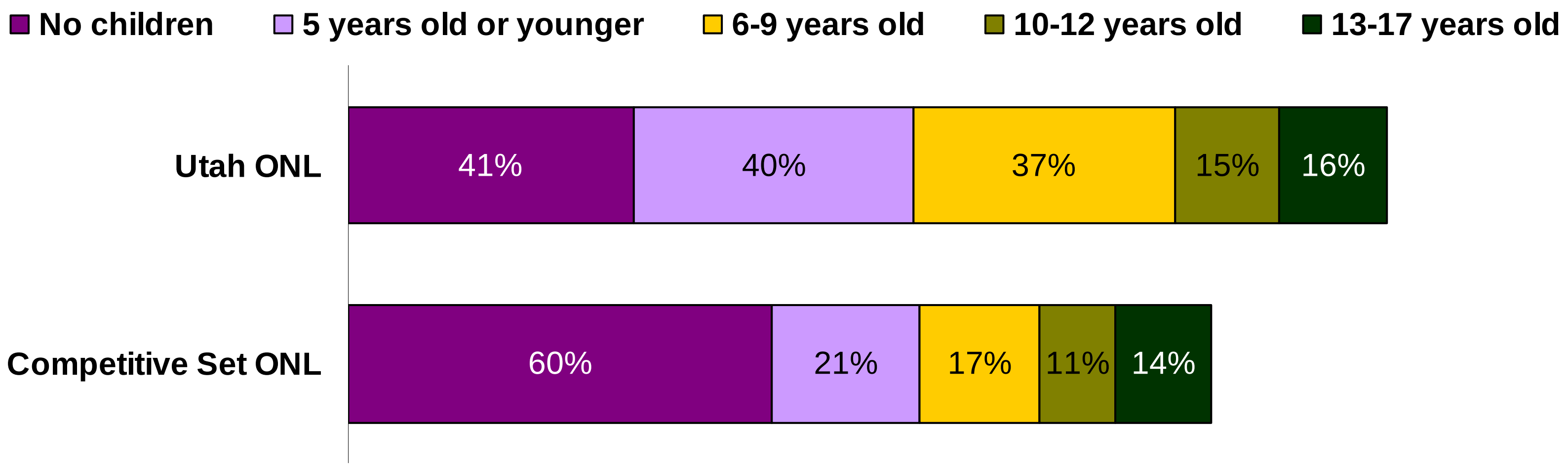
Distribution of Children in Household: Utah and Competitive Set
(2004/% of Overnight Leisure Person-Trips)

- Utah hosts higher shares of Overnight Leisure visitors with children 5 and under and ages 6 to 9 relative to its Comp Set.
- 59% of Utah Overnight Leisure travelers have children in their household compared to only 46% on the national level.
- Utah Resident and Day trip travelers are much more likely to have children in the household relative to the other travel groupings.

Note: Sum exceeds 100% due to multiple-children households.



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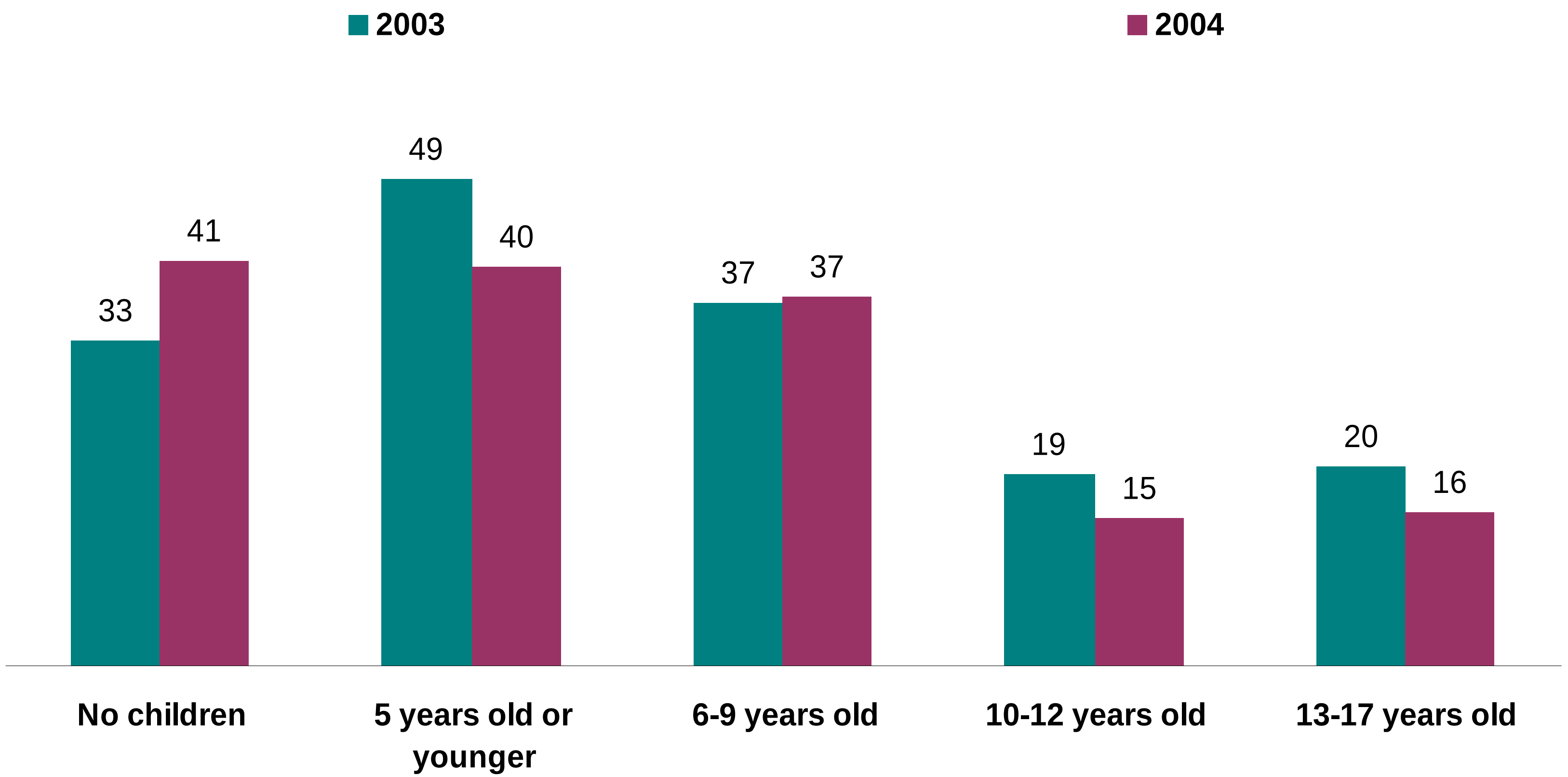
Utah Distribution of Children in Household
(2003 vs. 2004/% of Overnight Leisure Person-Trips)

- Despite high levels of visitors with children, relative to 2003, Utah has lost share of Overnight Leisure travelers with children in the household.



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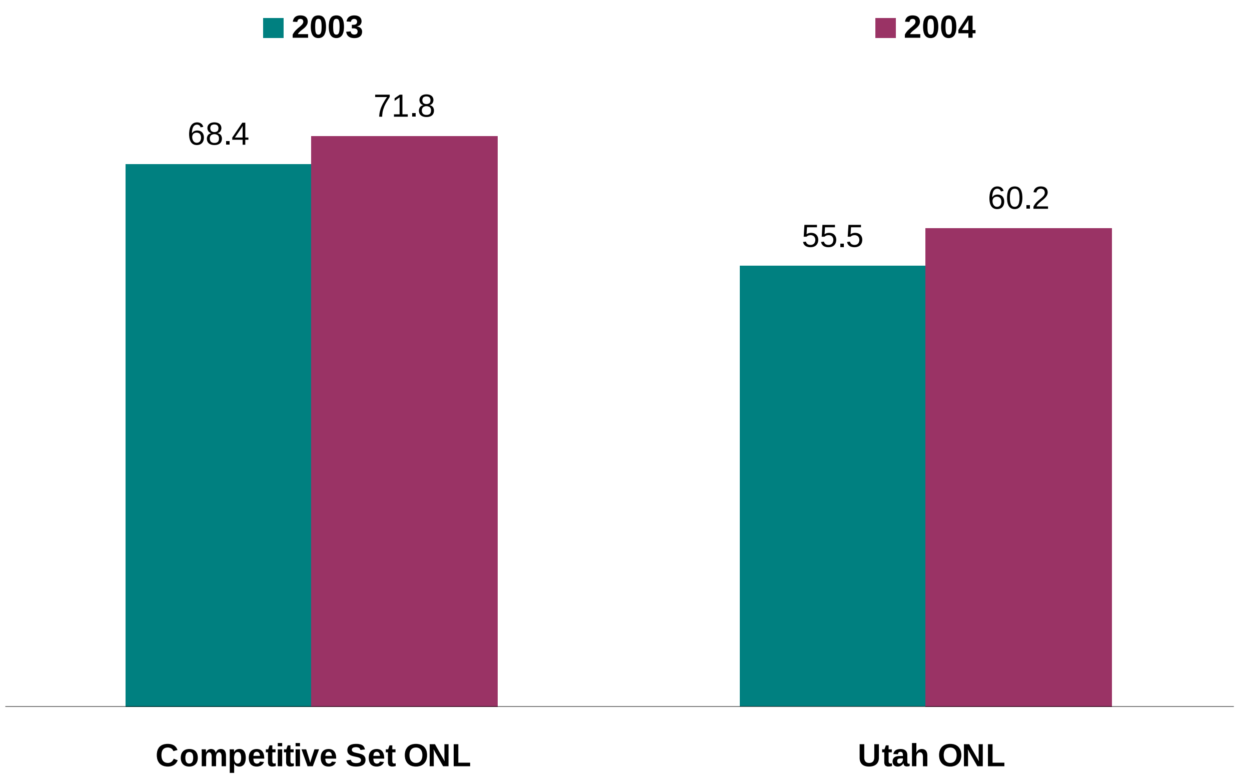
Utah and Competitive Set Average Income Overview
(2003 vs. 2004/$000 Overnight Leisure)

- Utah ONL travelers had lower average annual household income than that of ONL travelers to the Comp Set in both 2003 and 2004.
- Both Utah and its Comp Set experienced increases in income levels of ONL travelers from 2003 to 2004.



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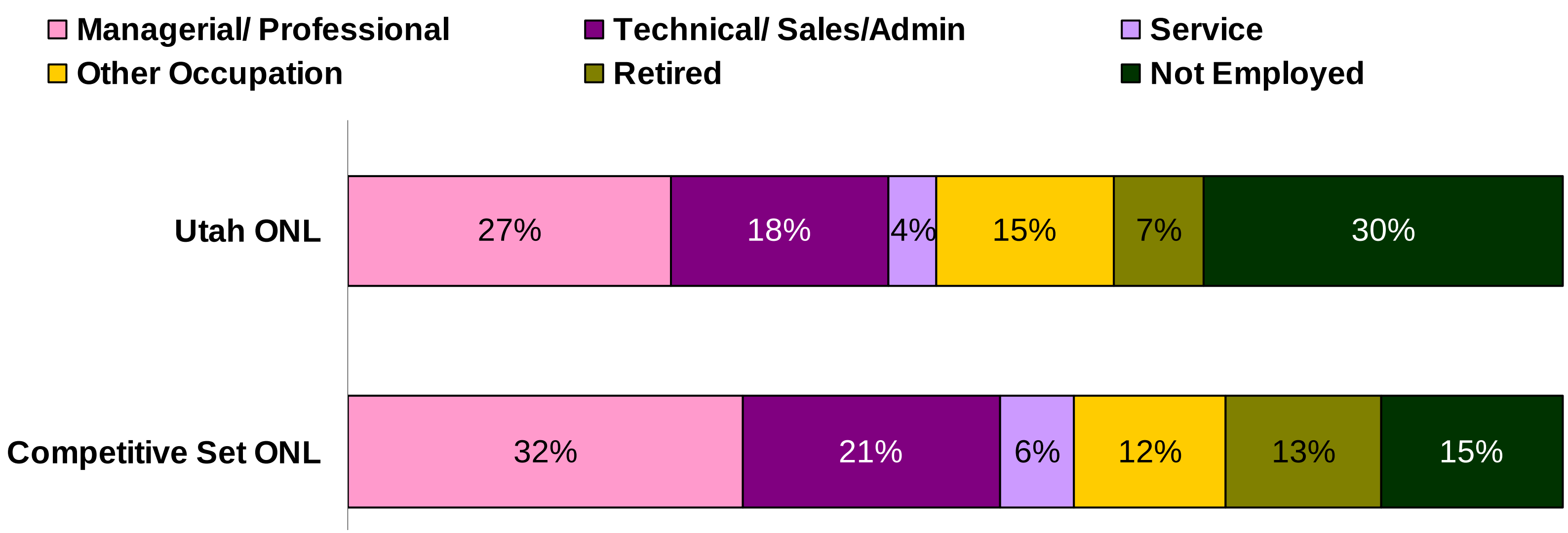
Utah and Competitive Set Occupation Distribution

(2004/% of Overnight Leisure Person-Trips)

- Utah is also quite different than its competing destinations in terms of ONL traveler occupational distribution.
- The most noteworthy distinction was Utah's significantly higher share of ONL travelers who were Not Employed.



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Targeting Intelligence Summary

- **Utah attracts a young, family-oriented traveler base**, with significantly higher shares of GenX travelers compared to the US and each of its competitors.
  - **GenX travel share is growing**
    - has been on the rise in each year since 2001 when the segment was 40% of the ONL market.
  - **Boomer travel share is declining**
    - has been on the decline since 2001, which is a bit concerning given that Boomers spend the most per party per trip.
- **Utah travelers are more likely to have children**
  - particularly younger children.
- Over one third of Utah ONL visitors are in the **18-34 with children life stage category**, higher than each of its competitors.
  - These visitors tend to spend less, however, than some of the older life stages. Despite the lower spending levels per party, this group still provides the highest share of travel dollars due to the sheer volume of visitation.
  - The **55+ with high incomes and without children** are also an important segment, growing from 2003 to 2004 and providing the highest spending per party per trip.
- **Utah's ONL travelers earn less**, on average, than do visitors to competing destinations
  - But their incomes increased from 2003 to 2004
- Utah's ONL travelers are also more likely to be **not employed** compared to competitors

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Positioning Introduction

Positioning information helps a destination compare its tourism product attributes against the competition by highlighting product strengths that can be promoted to attraction new travelers or repeat travelers. It can also help destinations better differentiate themselves in a competitive travel market.

- Purpose of Stay
- Travel Party Composition
- Length of Stay
- Activity Participation
- Trip Timing
- Accommodation Type

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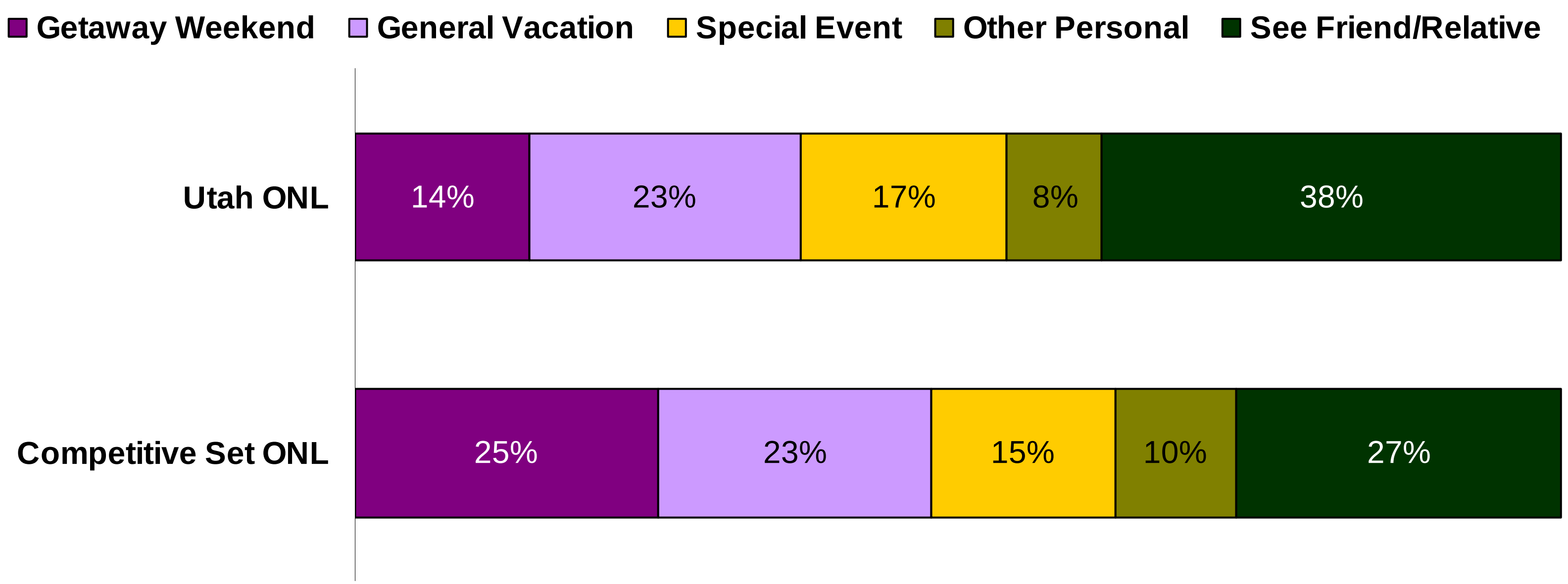
Utah and Competitive Set Purpose of Stay Distribution

(2004/% of Overnight Leisure Person-Trips)

- As in many destinations, VFR travel is the main purpose of stay for the majority of Utah's Overnight Leisure travelers, a similar share as in the US overall.
- Travel for General Vacations was higher in Utah than in the US and was Utah's second highest purpose of stay in the Overnight Leisure market.
- Utah's Overnight Leisure traveler purpose of stay distribution was very similar to that of several of its competing destinations but, as a whole, different from the full Competitive Set in terms of higher VFR travel share and lower share of Getaway Weekend travel.



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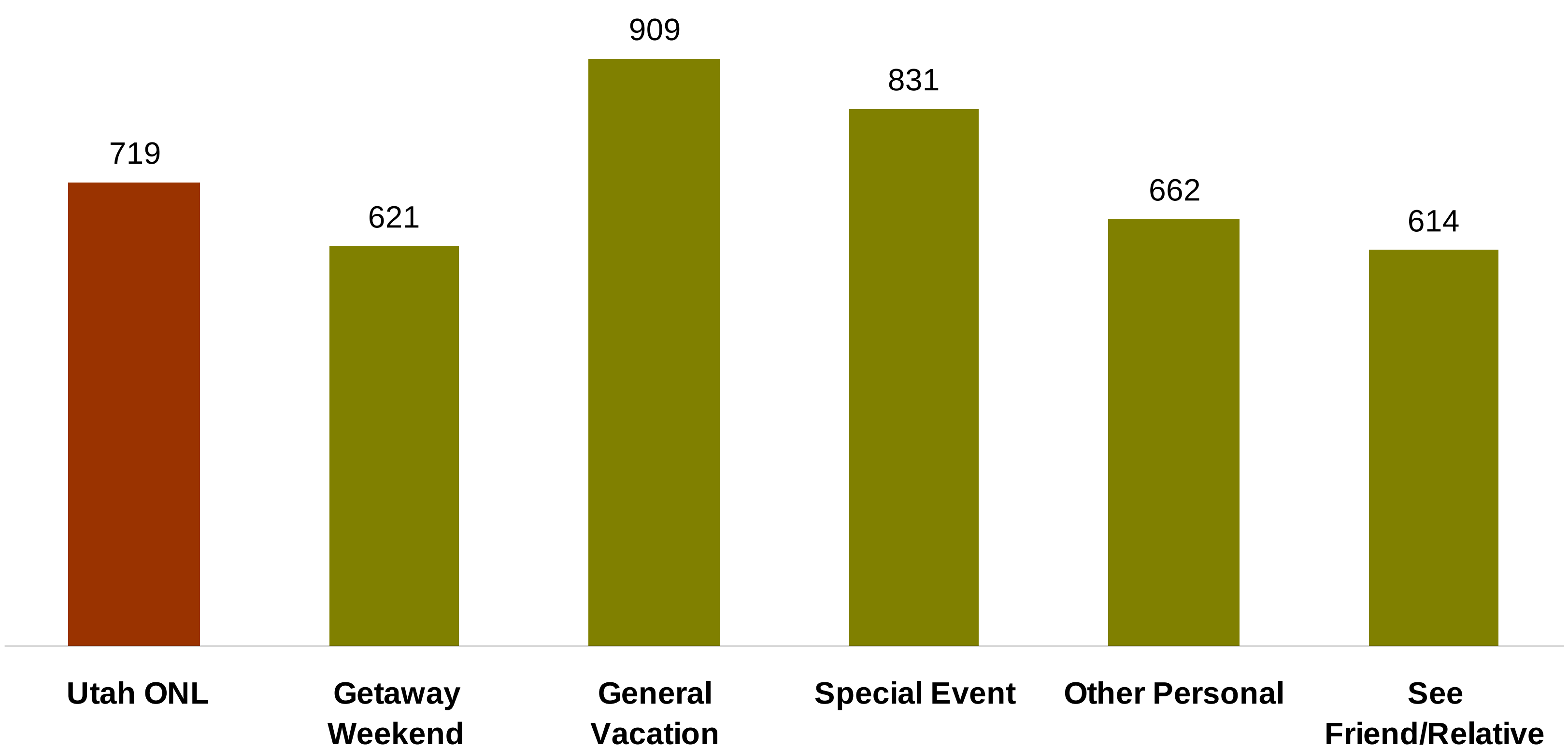
Utah Avg. Party per Trip Spending by Purpose of Stay
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- General Vacationers spent the most per party per trip, while VFR travelers spent the least.
- Utah's Largest segments behind VFR (Vacation & Special Event) are also the highest spending segments.



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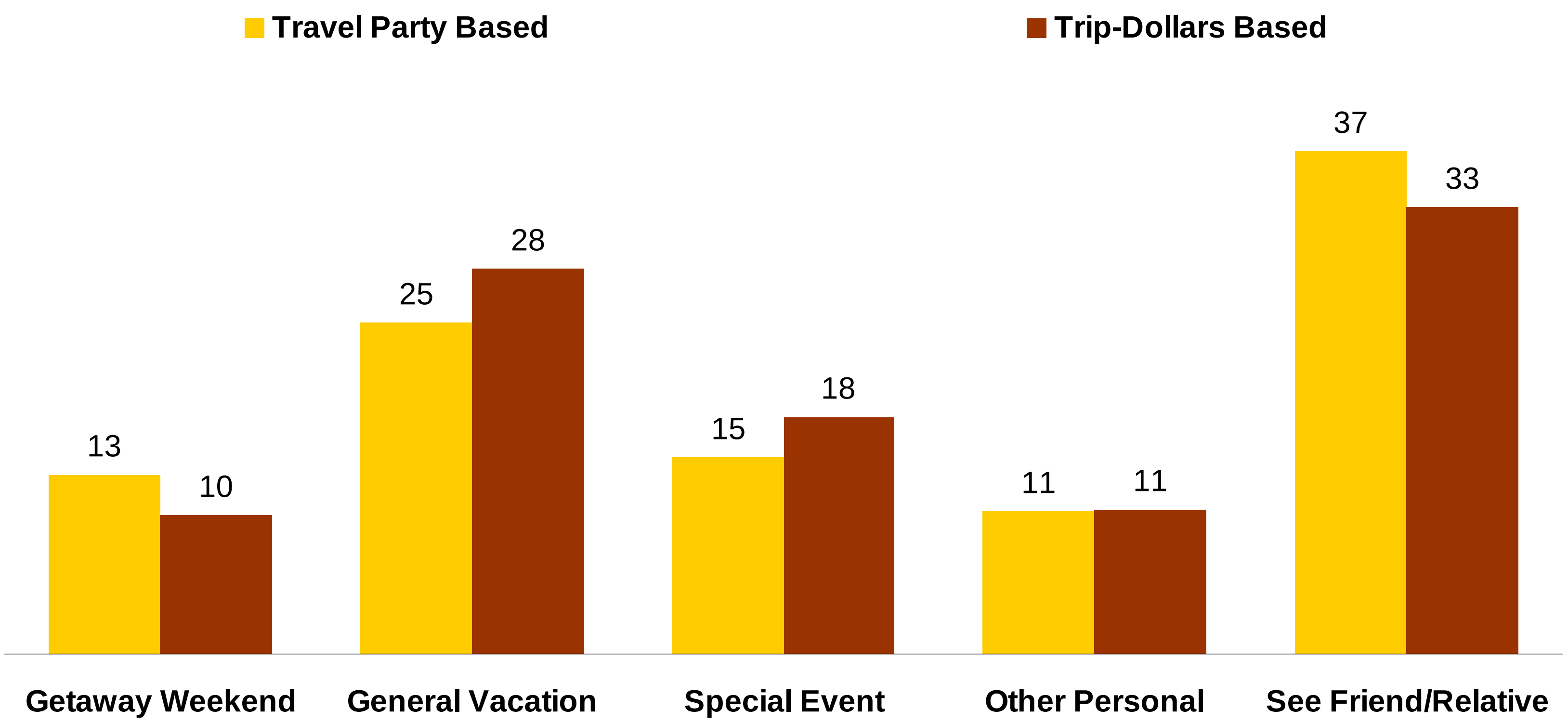
Utah Purpose of Stay Comparison
(2002, 2003, 2004/% of Overnight Leisure)

- While VFR travelers contribute the highest share of both travel parties and dollars to Utah's Overnight Leisure visitor market, both General Vacationers and those attending Special Events contributed higher shares of trip dollars than travel parties.



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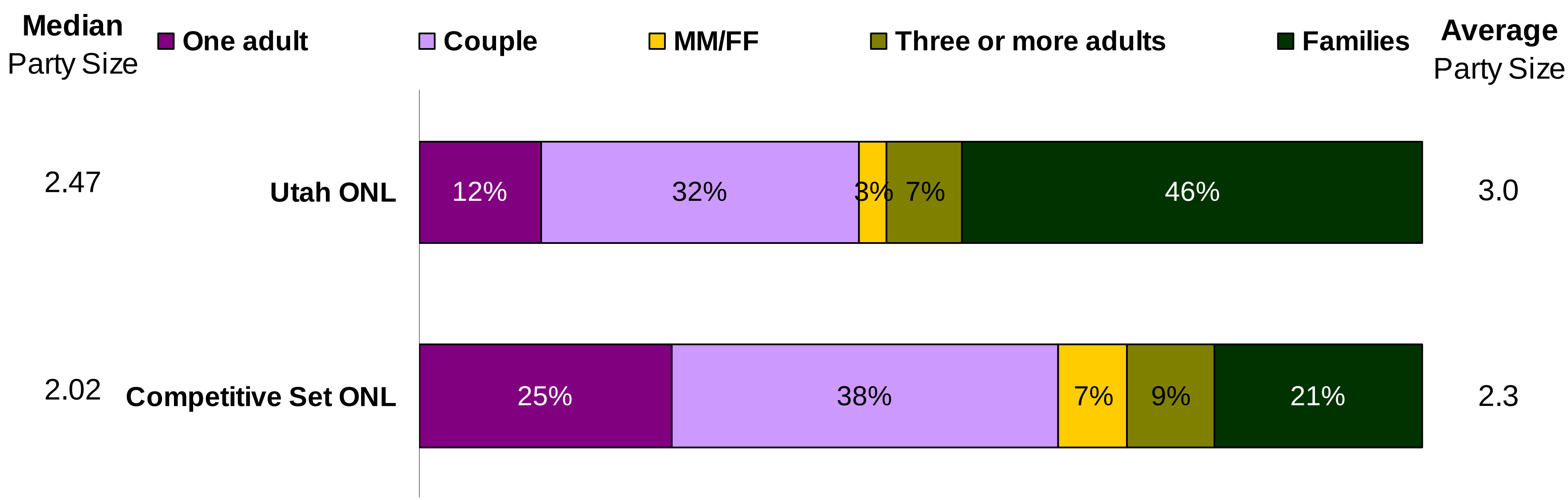
Travel Party Composition Distribution: Utah and Competitive Set

(2004/% of Overnight Leisure Travel Parties)

- Almost half of Utah's Overnight Leisure visitors were Family travel parties, followed by another third that were Couples. Utah's Family ONL market was more than twice as prevalent relative to that of the Comp Set.
- Family travel parties were the dominant travel party for all Utah travel segments.
- With such a high share of Family travel, Utah's average travel party size was 3.0 persons, higher than each of its competing destinations.



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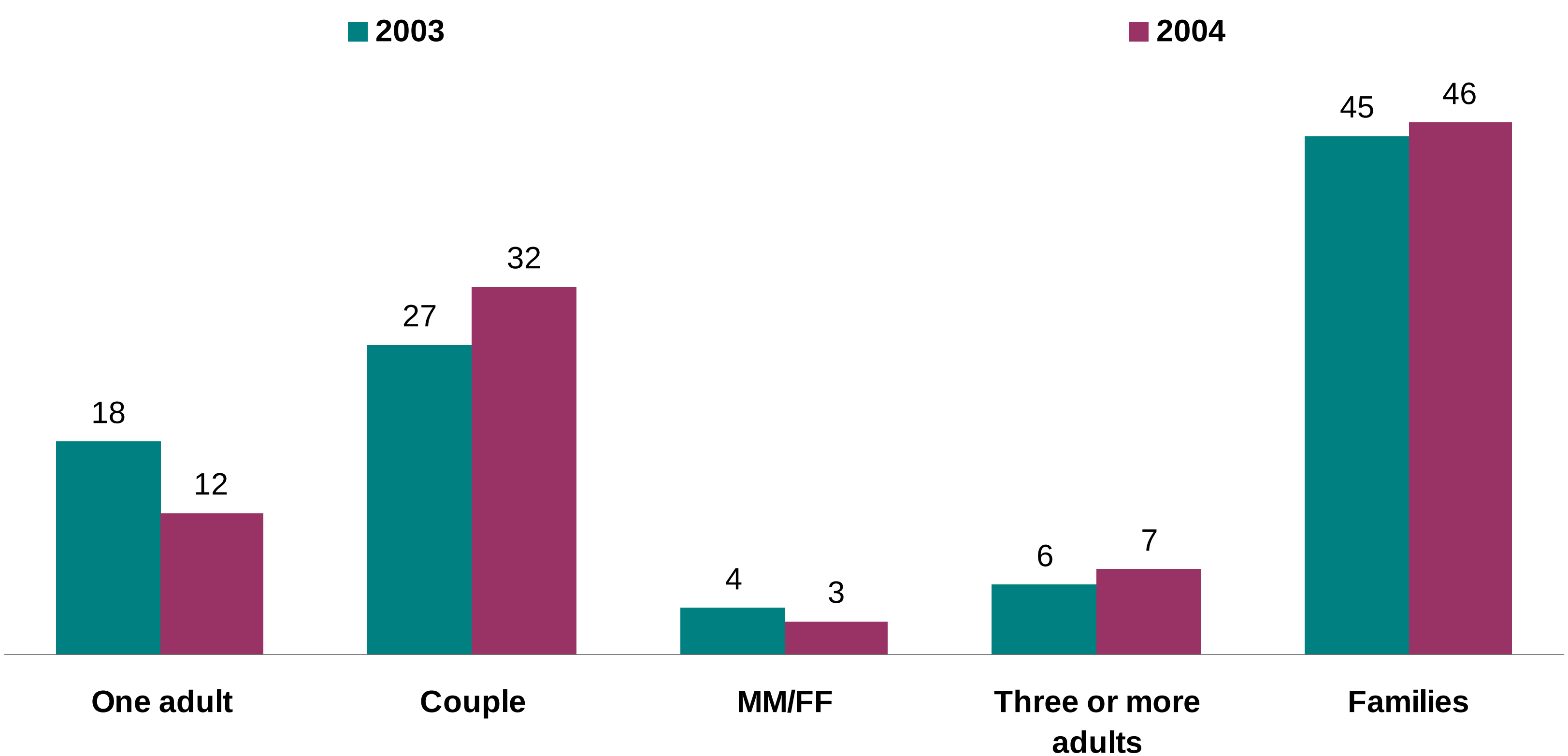
Utah Party Composition Distribution
(2003 vs. 2004/% of Overnight Leisure Travel Parties)

- Family travel remained strong in 2003 and 2004.
- Couple travel increased, while travel by Adults Traveling Alone declined.



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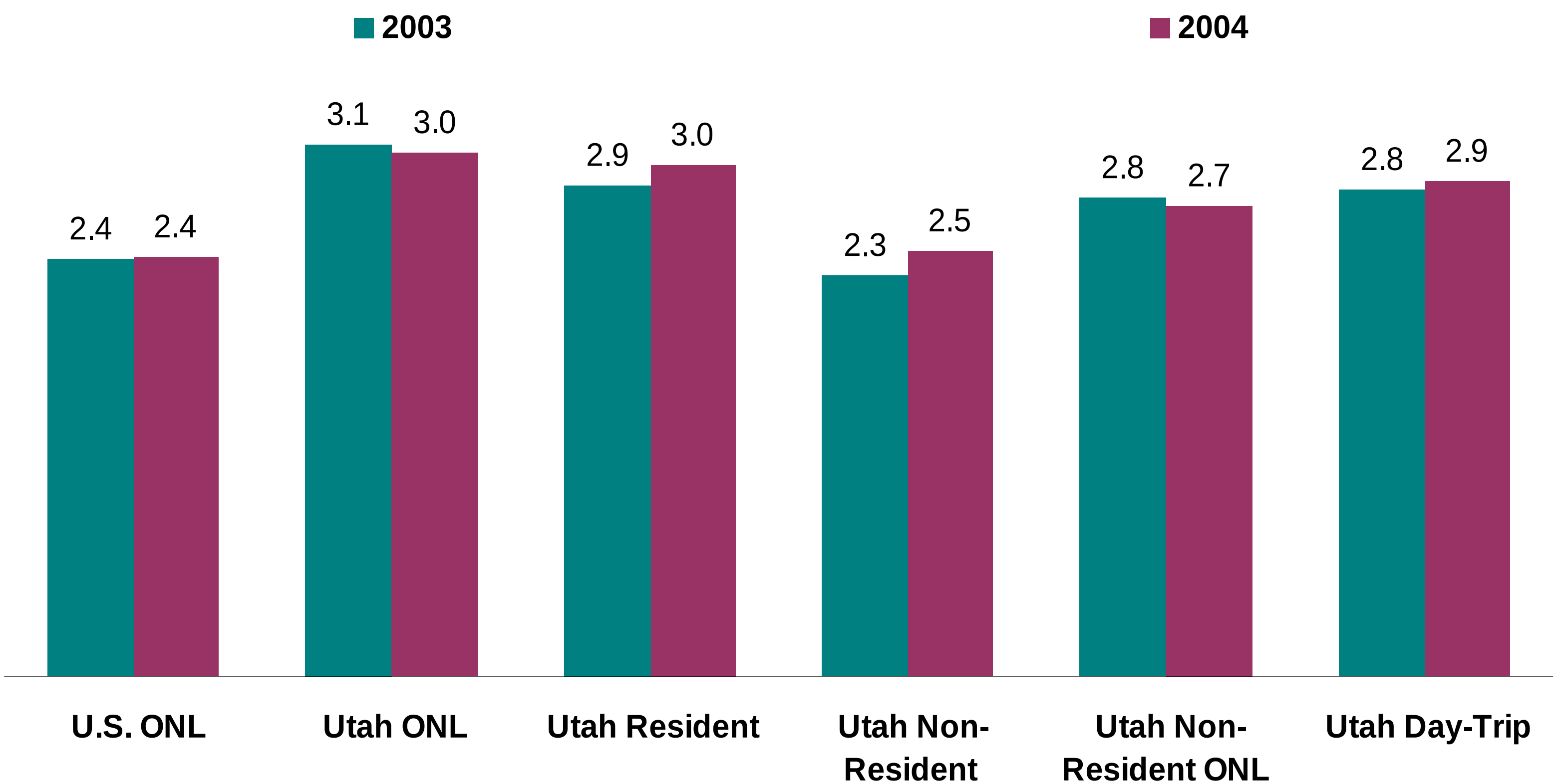
U.S. and Utah Average Party Size Overview
(2003 vs. 2004/Travel Parties)

- Despite the increases in shares of larger travel party types from 2003 to 2004, the average Utah ONL party size still declined slightly and is likely due to the larger increase in share of Couples than in Families.



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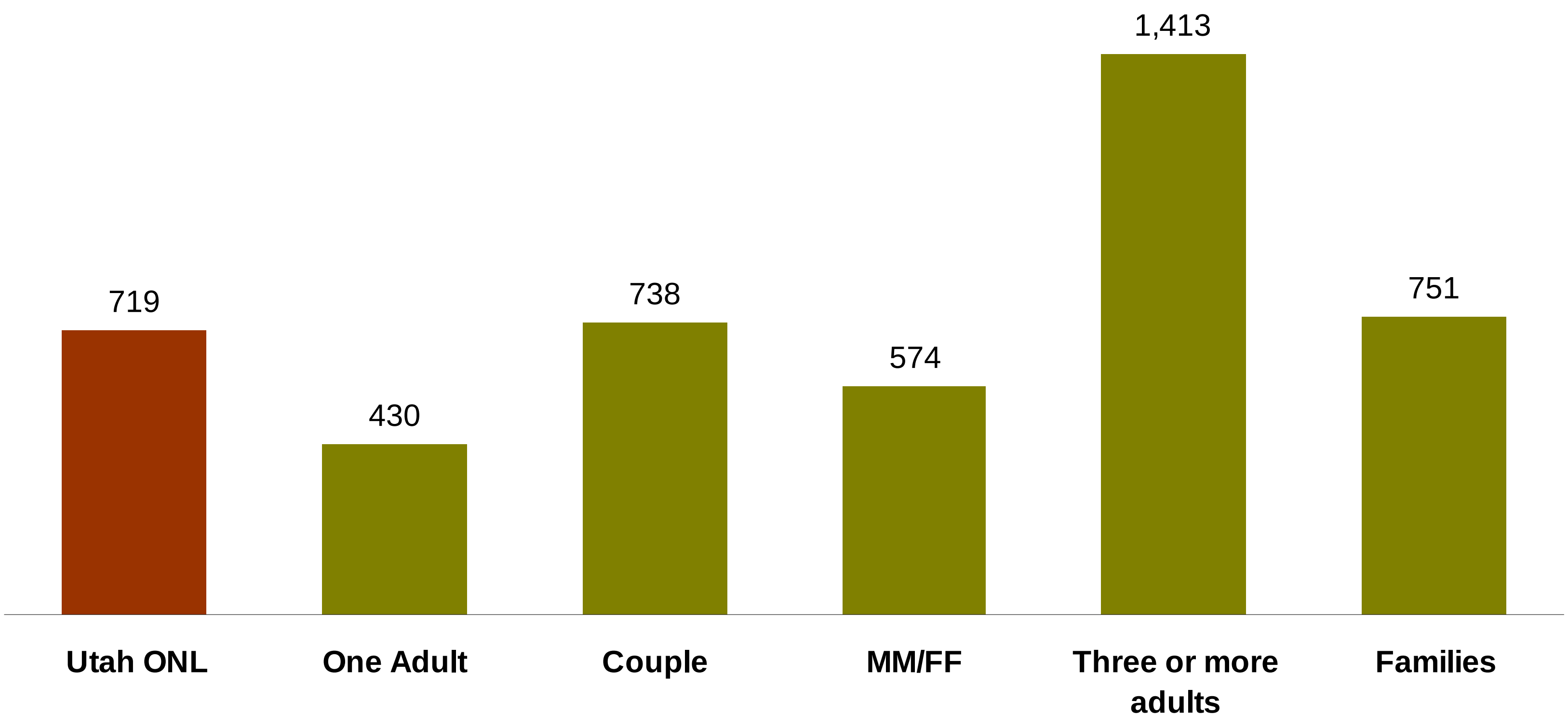
Utah Avg. Party per Trip Spending by Traveling Party
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- Couples and Families spent about the same per party per trip, while parties of 3 or More Adults, which represented only 6% of travel parties in 2003 and 7% in 2004, contributed about double the amount per party per trip as Families and Couples over the course of 2002-2004.



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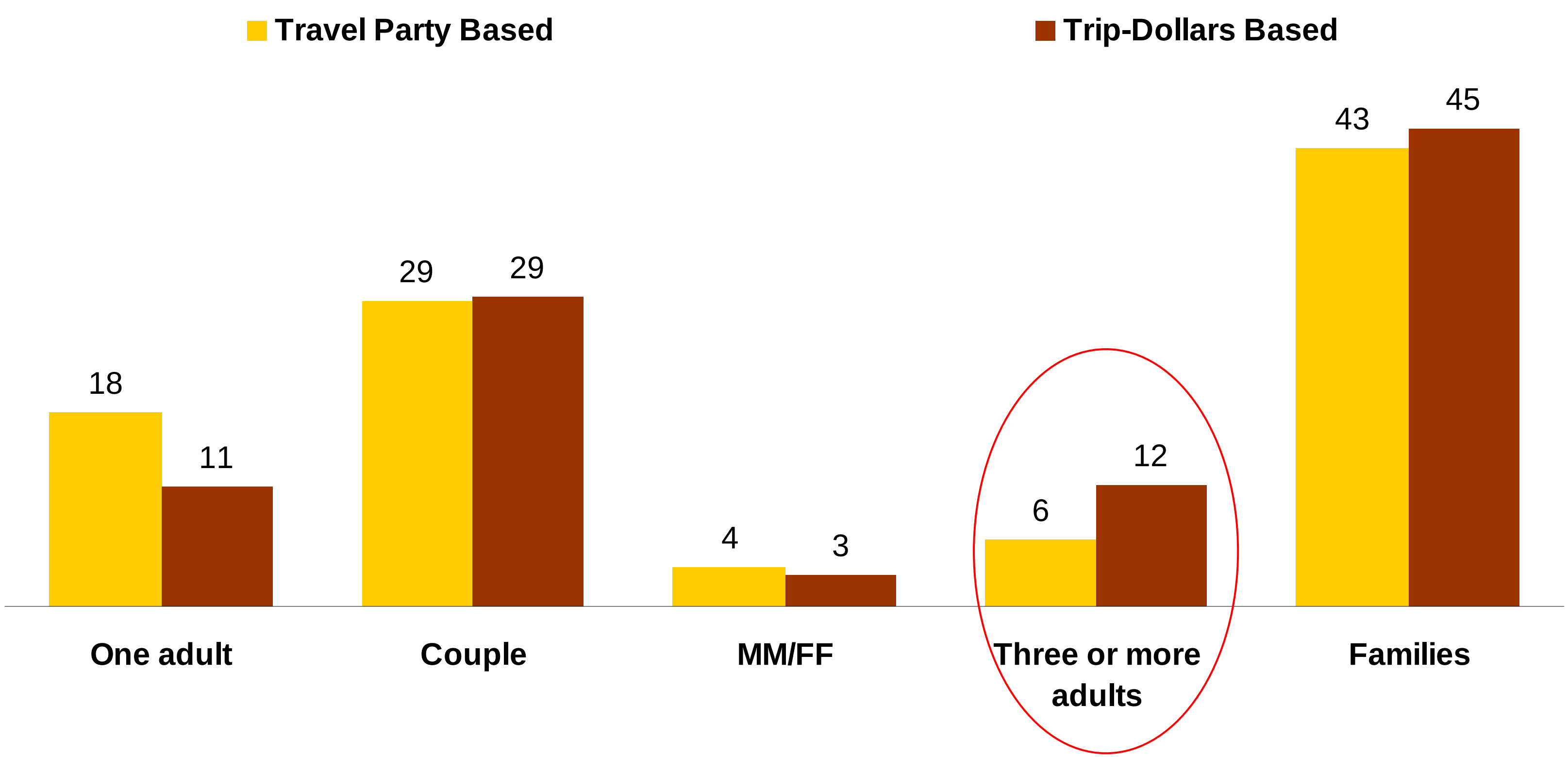
Utah Travel Party Composition Comparison
(2002, 2003, 2004/% of Overnight Leisure)

- Share of travel parties and trip dollars were about equal for Families. This was also true for Couples. Parties of 3 or More Adults provided twice the share of trip dollars than travel parties, while Adults Traveling Alone provided a significantly higher share of travel parties than trip dollars.



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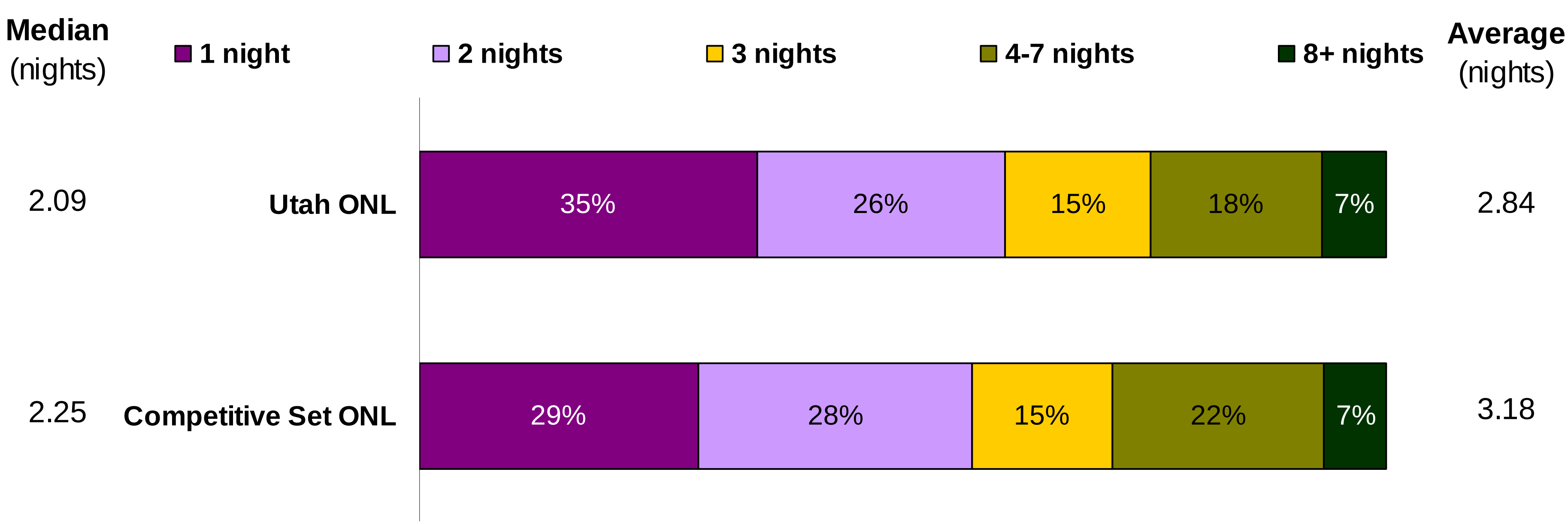
Utah and Competitive Set Stay Length Distribution

(2004/% of Overnight Leisure Travel Parties)

- The average Utah ONL travelers stayed for 2.84 nights in 2004, lower than the average for its Comp Set.
- Utah had a higher share of travel party stays that were 1 night in length and a lower share of stays that were 4 to 7 nights in length relative to the Comp Set.



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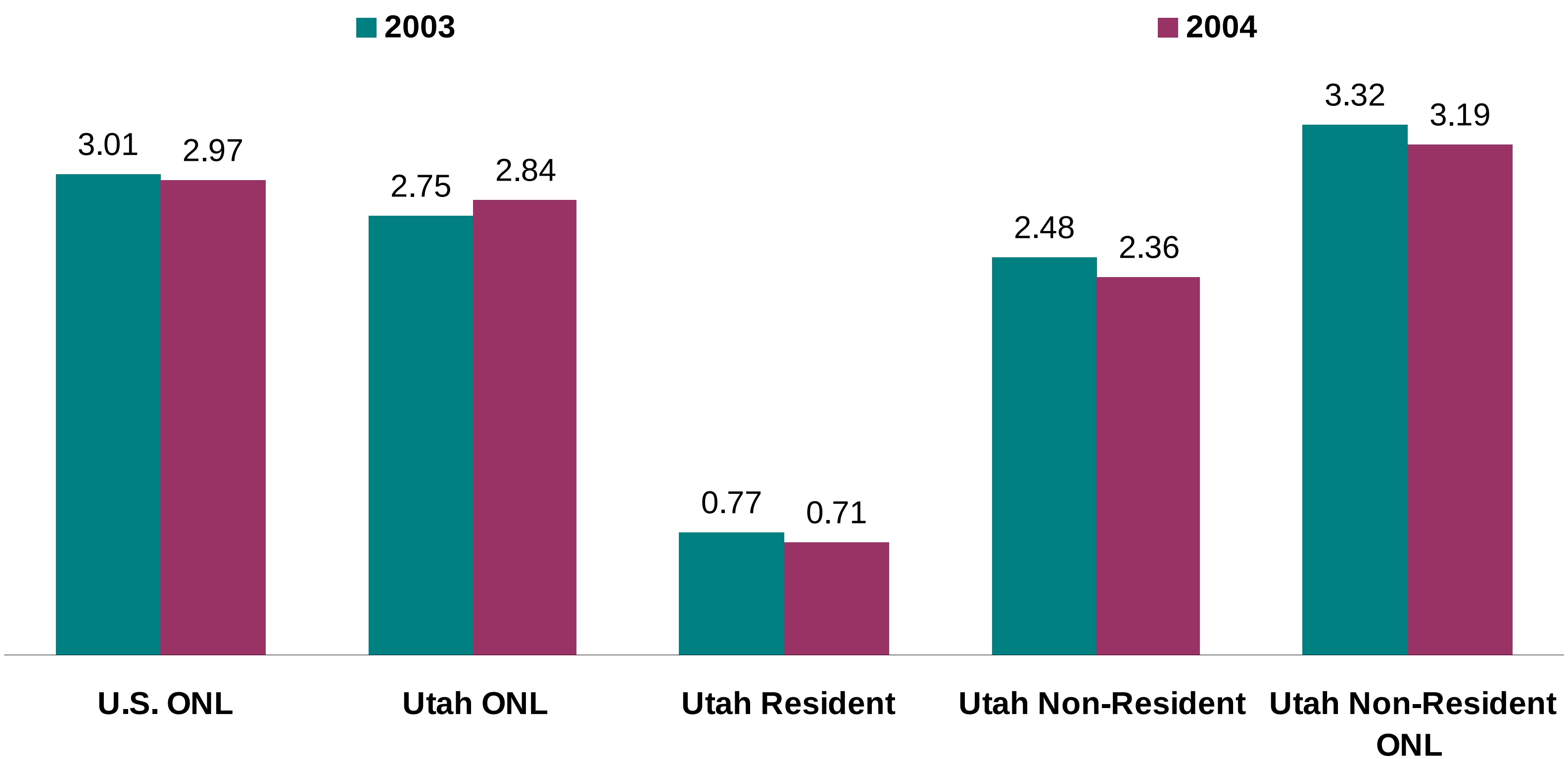
U.S. and Utah Average Stay Length Overview
(2003 vs. 2004/Person-Trips)

- Utah's ONL traveler average length of stay increased from 2.75 nights in 2003 to 2.84 nights in 2004.
- The increase was due to the shift away from 1 night stays, to stays 2-3 nights in length, and to longer stays greater than a week.
- Utah's average stay length was similar to that of the average US ONL destination.



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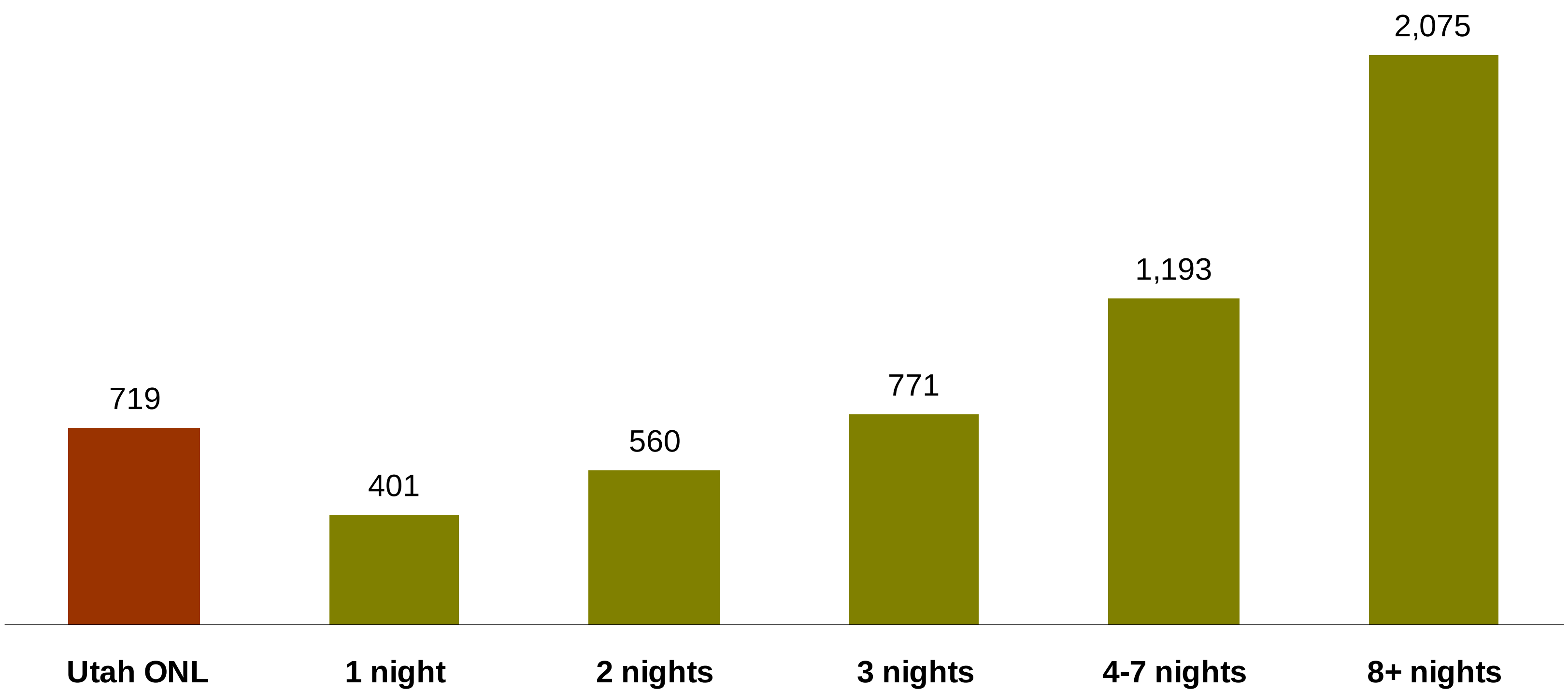
Utah Avg. Party per Trip Spending by Stay Length
(2002, 2003, 2004/$ Overnight Leisure Travel Parties; including transportation)

- Makes sense…the longer Utah's ONL travelers stayed, the more money they spent per party.
- Longer stays = More Money Spent



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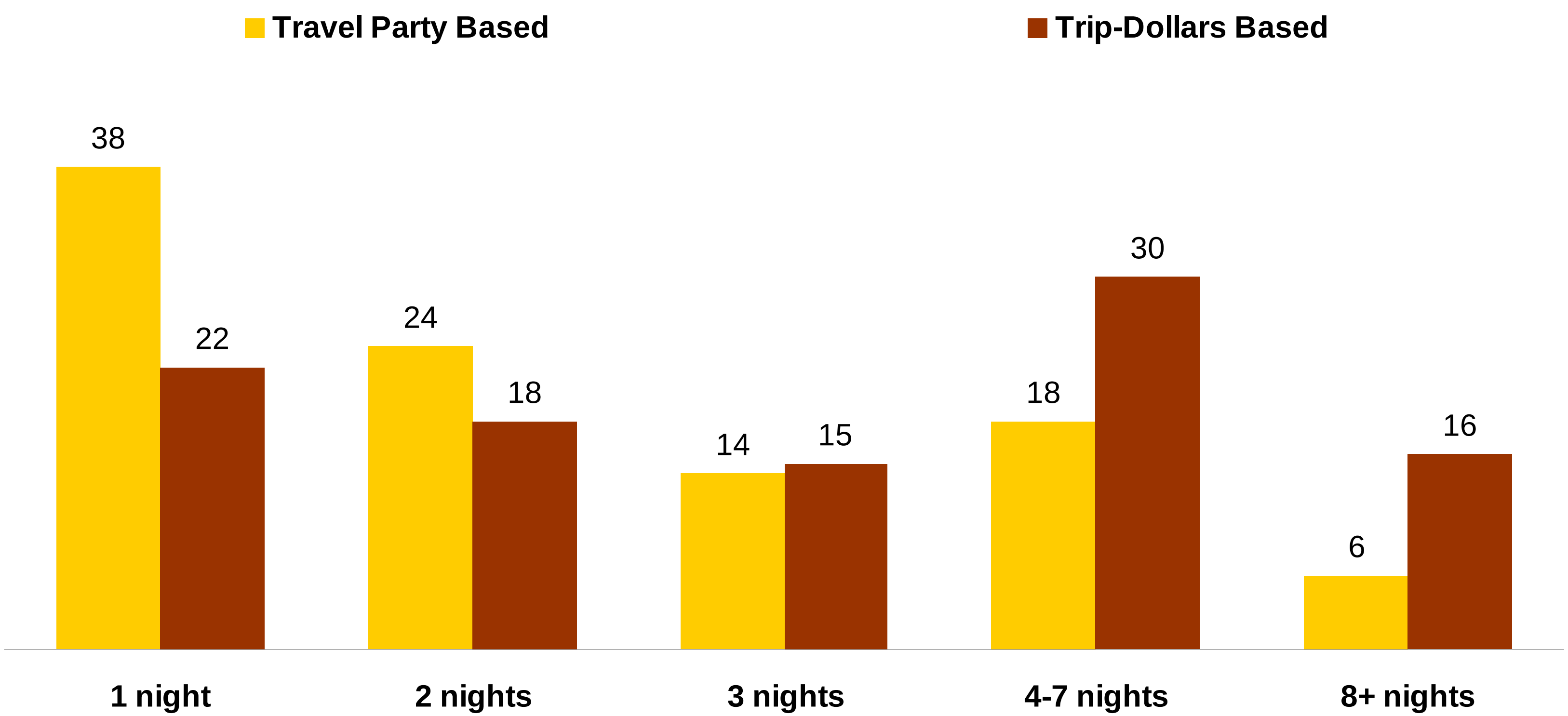
Utah Stay Length Comparison

(2002, 2003, 2004/% of Overnight Leisure)

- A stay of 3 nights in length appears to be the break even point where share of travel parties about equates share of trip dollars.



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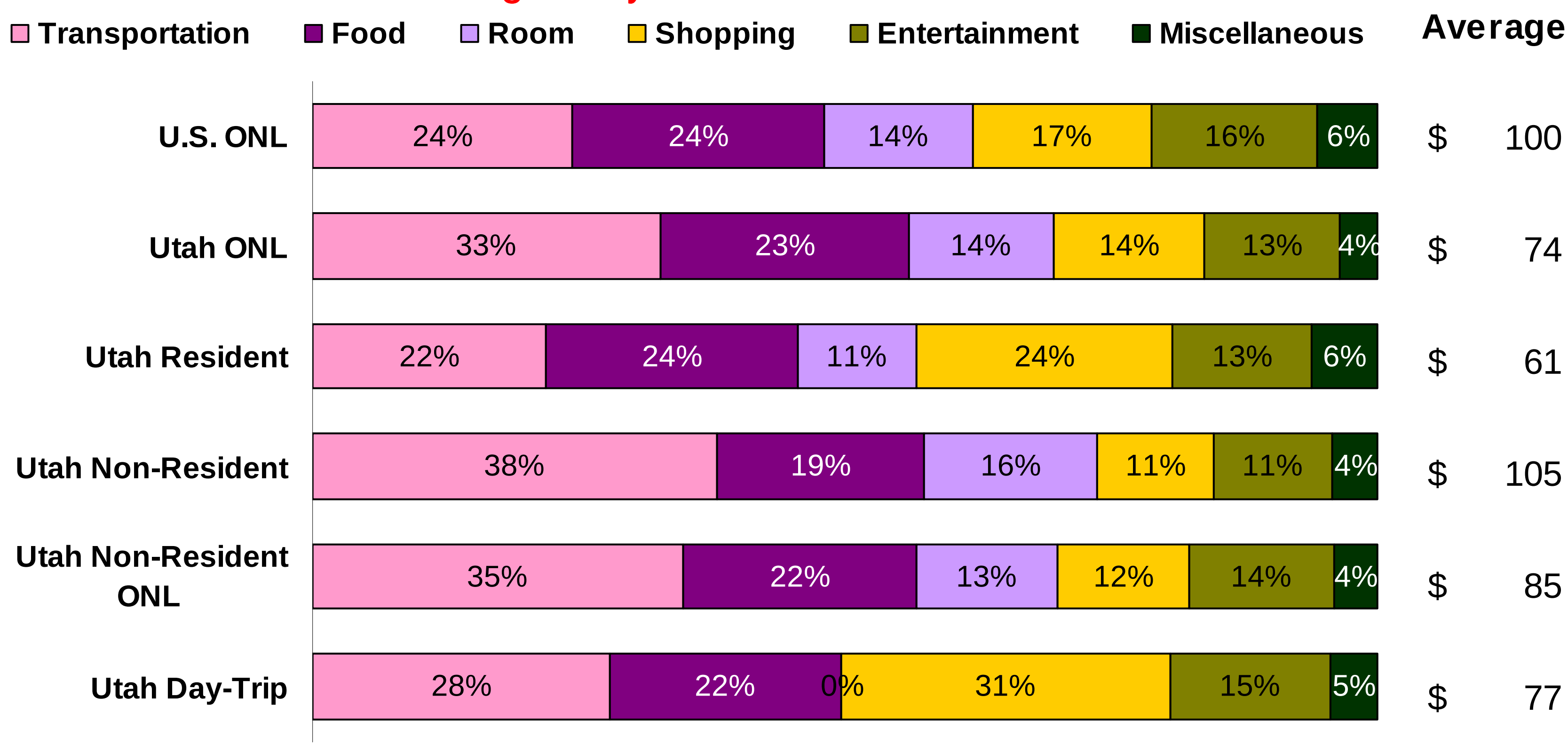
Proportion of Daily Spending per Person by Spending Category: U.S. and Utah
(2004/% of Person-Days)

- The average Utah ONL traveler spent $74 per person per day, an amount lower than that of the average US ONL traveler that spent $100 per person per day.
- Utah's ONL travelers spent the highest share of their travel dollars on transportation costs, followed by food costs.

Utah Overnight Leisure Hotel/Motel Average Daily Rate = $69 in 2004



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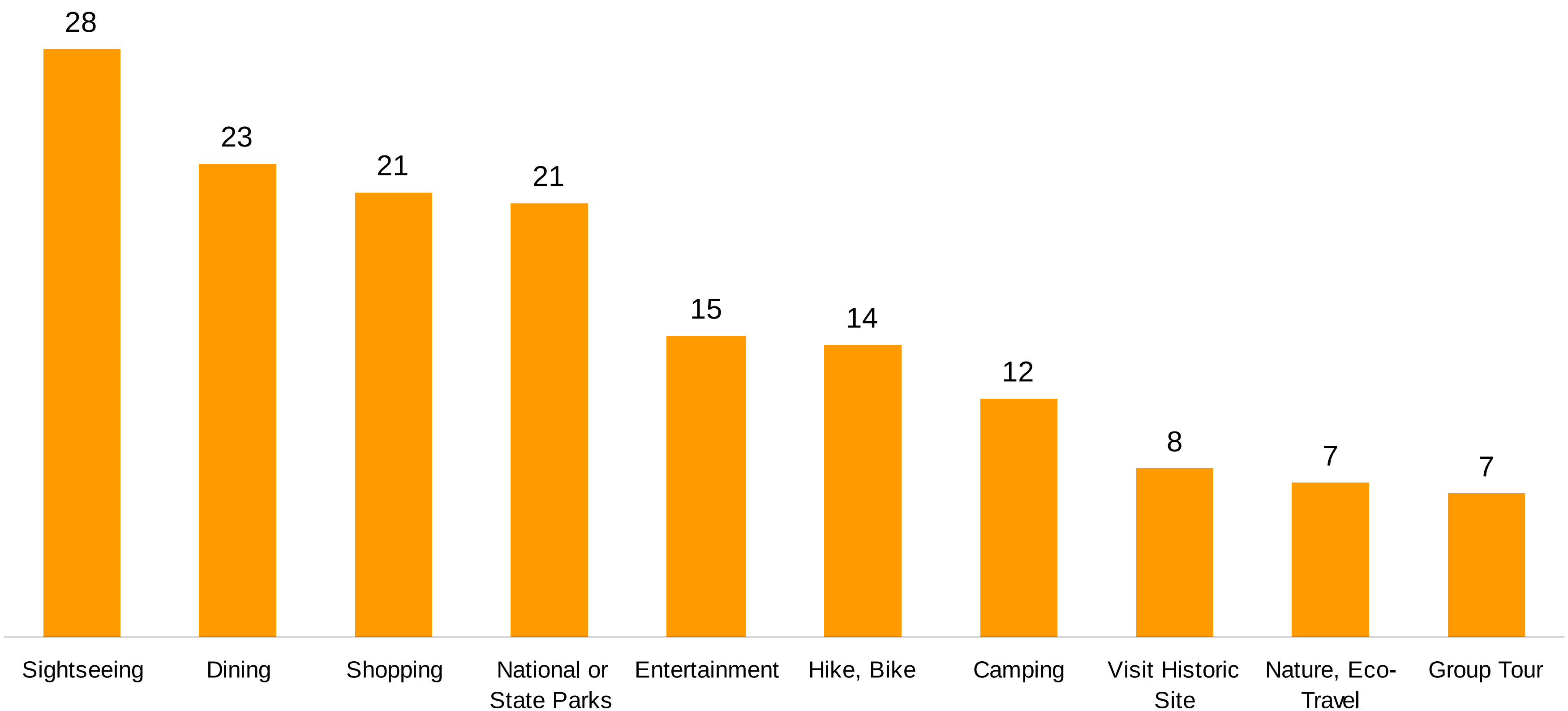
Utah Top Activity Participation
(2004/% of Overnight Leisure Person-Trips)

- Sightseeing was Utah's top ONL activity in 2004, followed by the expenditure based activities of Dining and Shopping.
- National/State Park visitation rounded out the top 3 activities at 21% participation.



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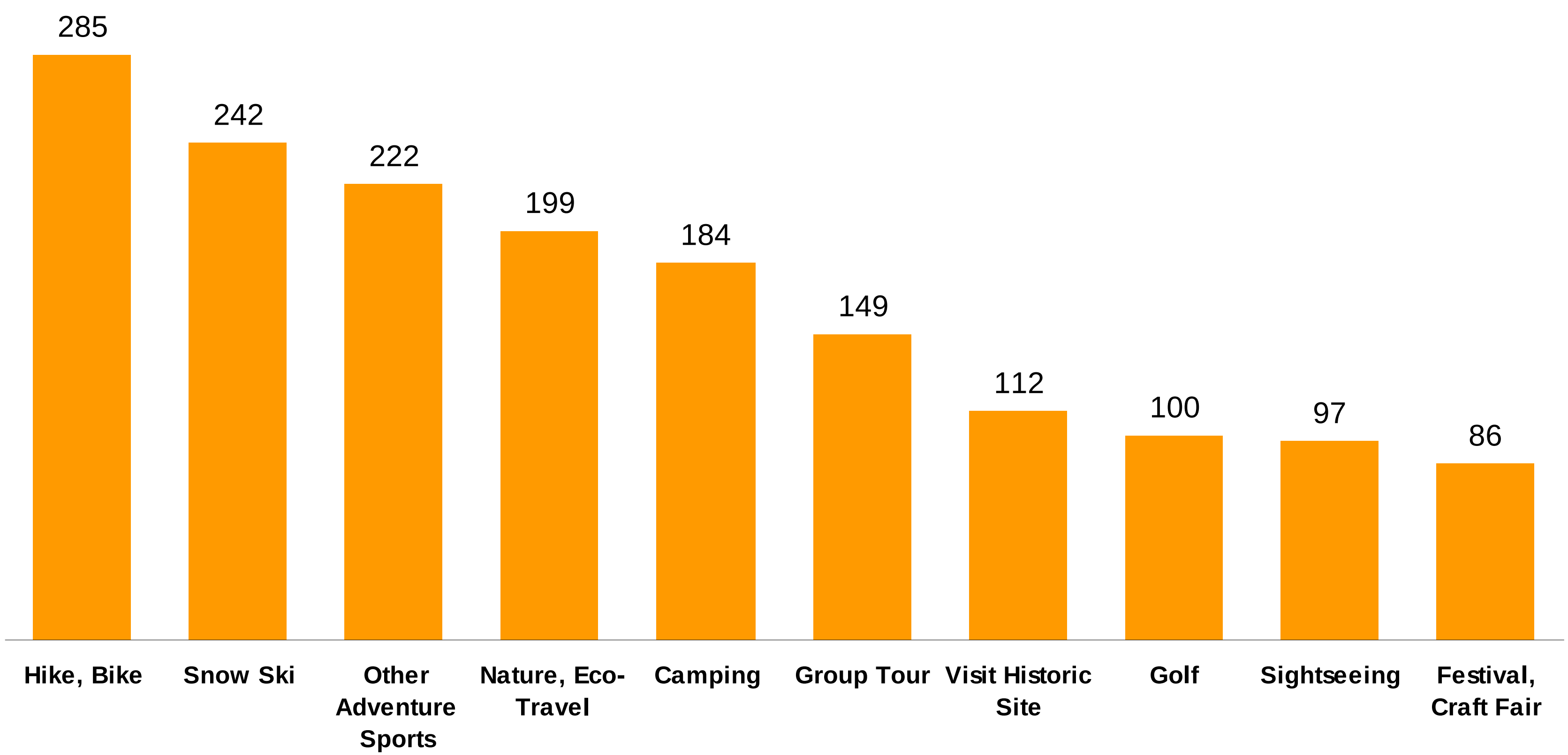
Utah Activity Index
(U.S. Participation Level = 100)
(2004/Overnight Leisure Person-Trips)

- The activity index uses the U.S. to determine the average of 100 and anything above is an activity that travelers in Utah are more likely to do than visitors to the average US ONL destination. The Index is different from the share of participation in that it only reflects a traveler's propensity to participate in an activity, relative to the propensity for all other overnight leisure destinations in 2004.



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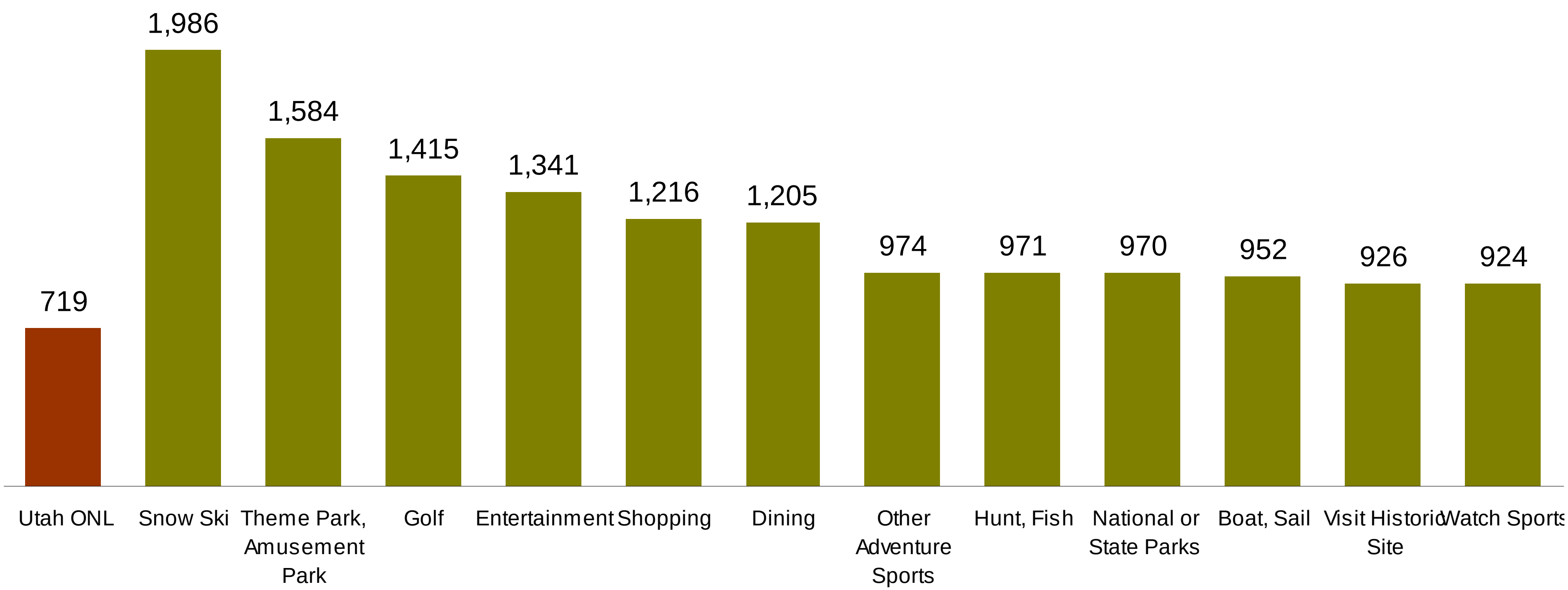
Utah Avg. Party per Trip Spending by Activities
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- Utah ONL visitors who engage in Skiing activities are the highest spenders, spending 176% higher per party per trip than the average Utah ONL traveler.
- Keep in mind that these are simply spending levels and do not reflect the level of participation per activity.



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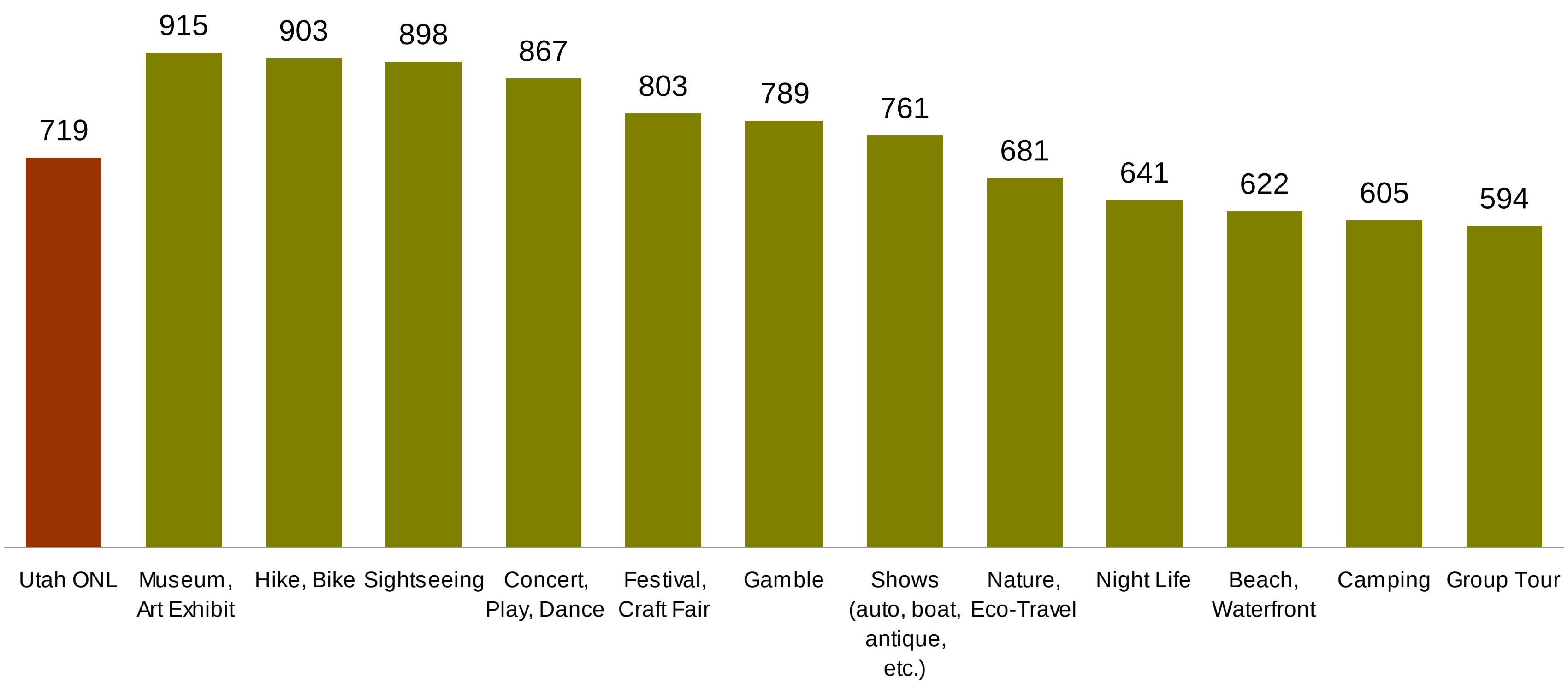
Utah Avg. Party per Trip Spending by Activities
(continued)
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- Also remember that these activities are not mutually exclusive…many visitors engage in multiple activities, so the spending per party per trip estimates are not mutually exclusive.



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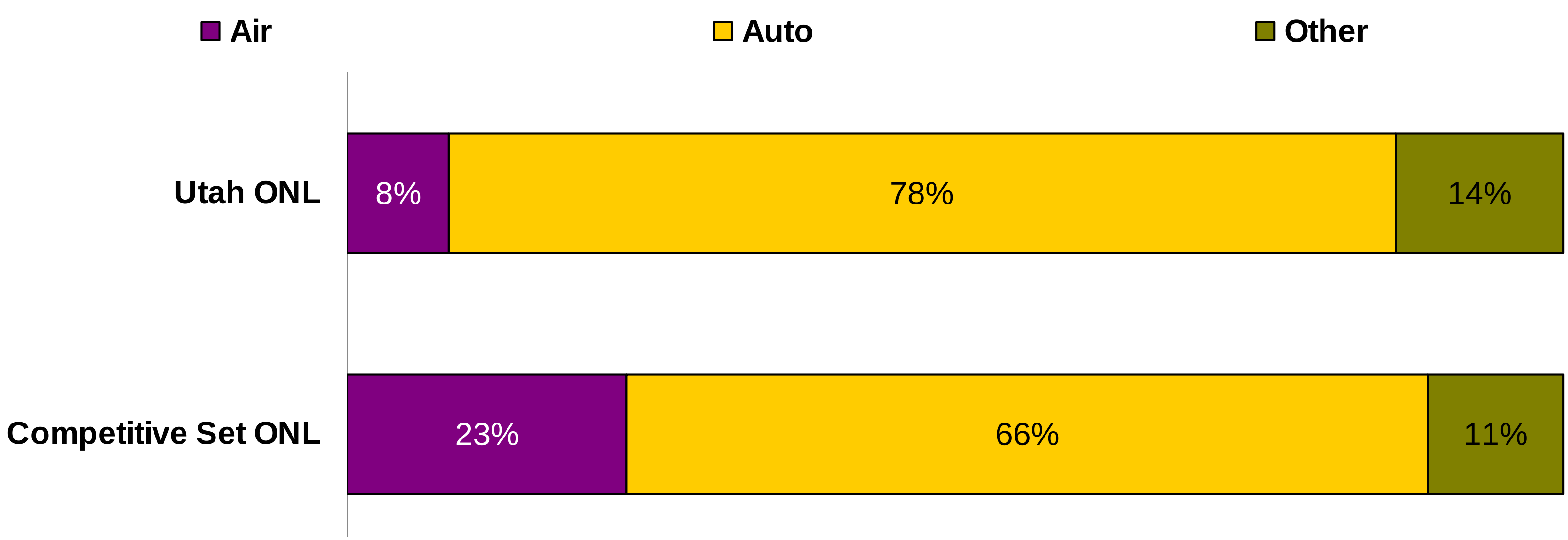
Main Mode of Transportation: Utah and Competitive Set
(2004/% of Overnight Leisure Person-Trips)

- Relative to its competitors, Utah had a higher share of Auto travel and a lower share of Air travel.



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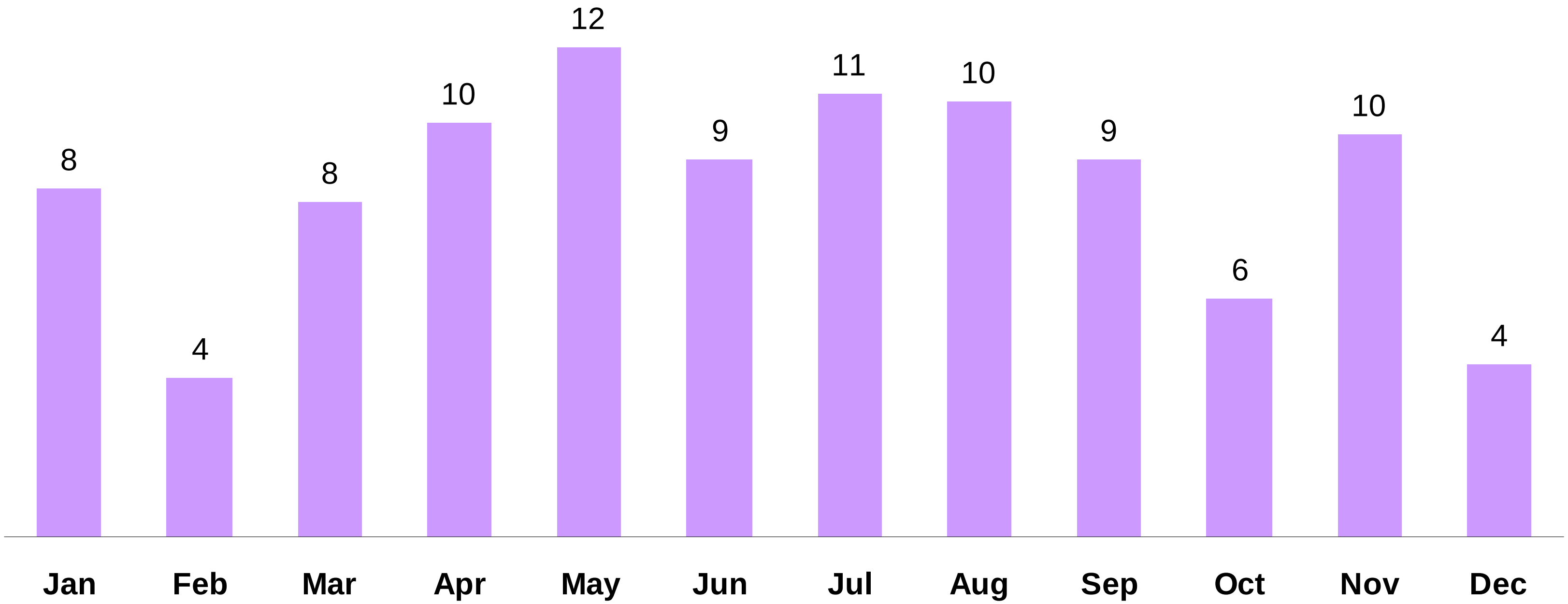
Utah Month Trip Started
(2004/% of Overnight Leisure Person-Trips)

- Utah ONL travel peaked in May and again in July, and was lowest in February and December.



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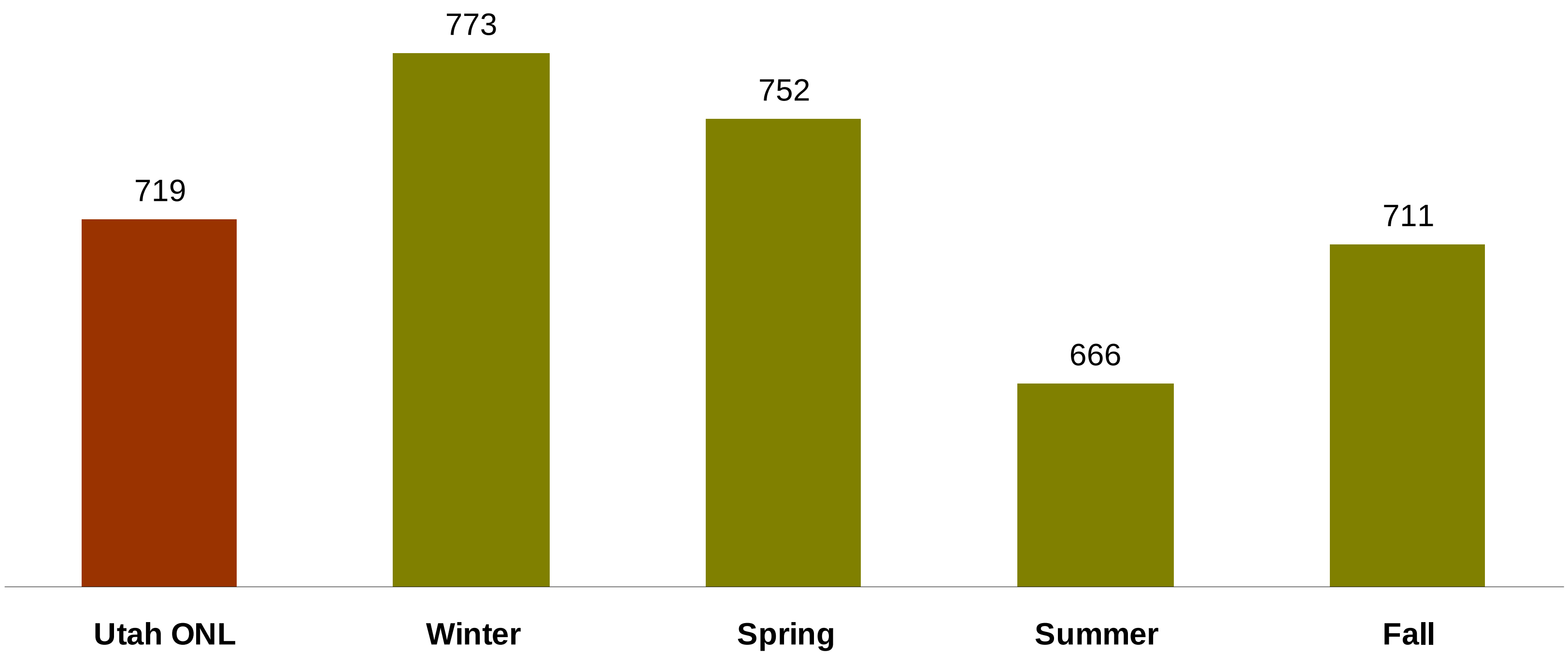
Utah Avg. Party per Trip Spending by Season
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- While Winter was the least traveled season among Utah ONL travelers, these parties spent the most per trip.



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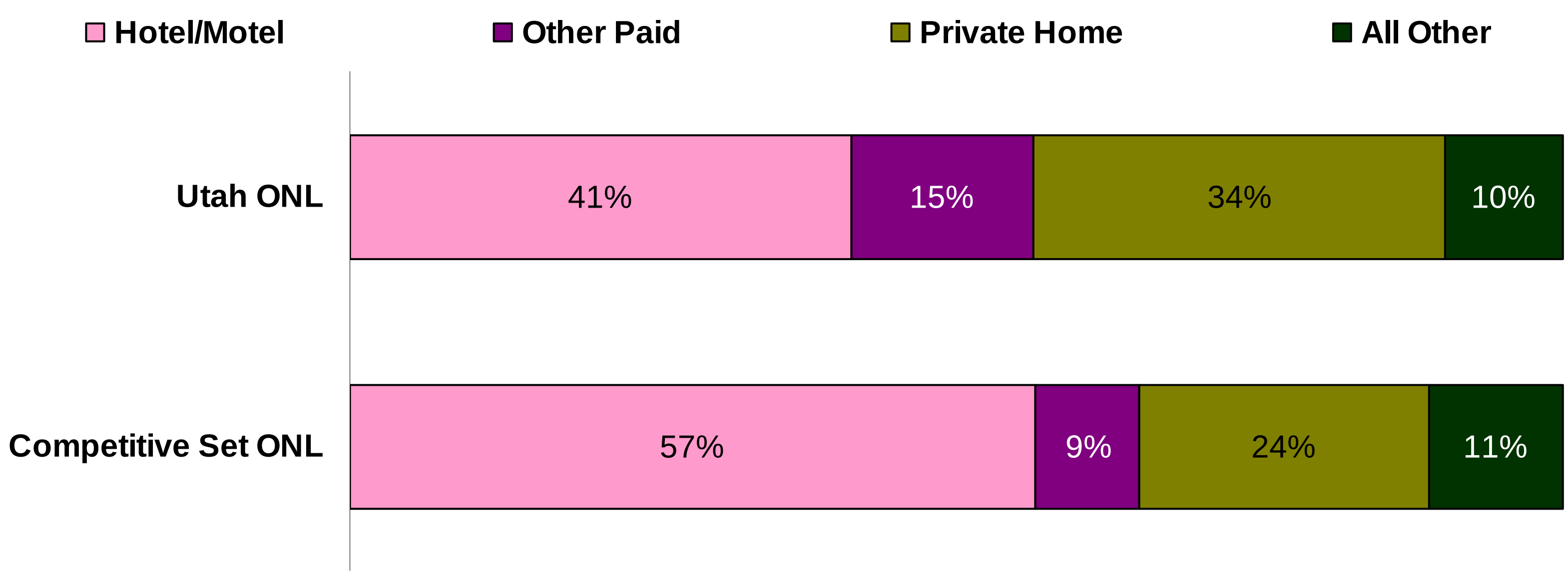
Utah and Competitive Set Accommodations Type
(2004/% of Overnight Leisure Person-Trips)

- 41% of Utah ONL travelers stayed in a paid hotel/motel accommodation followed by an additional third (34%) who stayed in a private home.
- Utah's share of paid hotel/motel person-trips was less than the average US ONL destination.
- Share of stays in paid hotel/motel accommodations was significantly higher in the Comp Set than in Utah, while Utah had a higher share of stays in both other paid accommodations and private homes.



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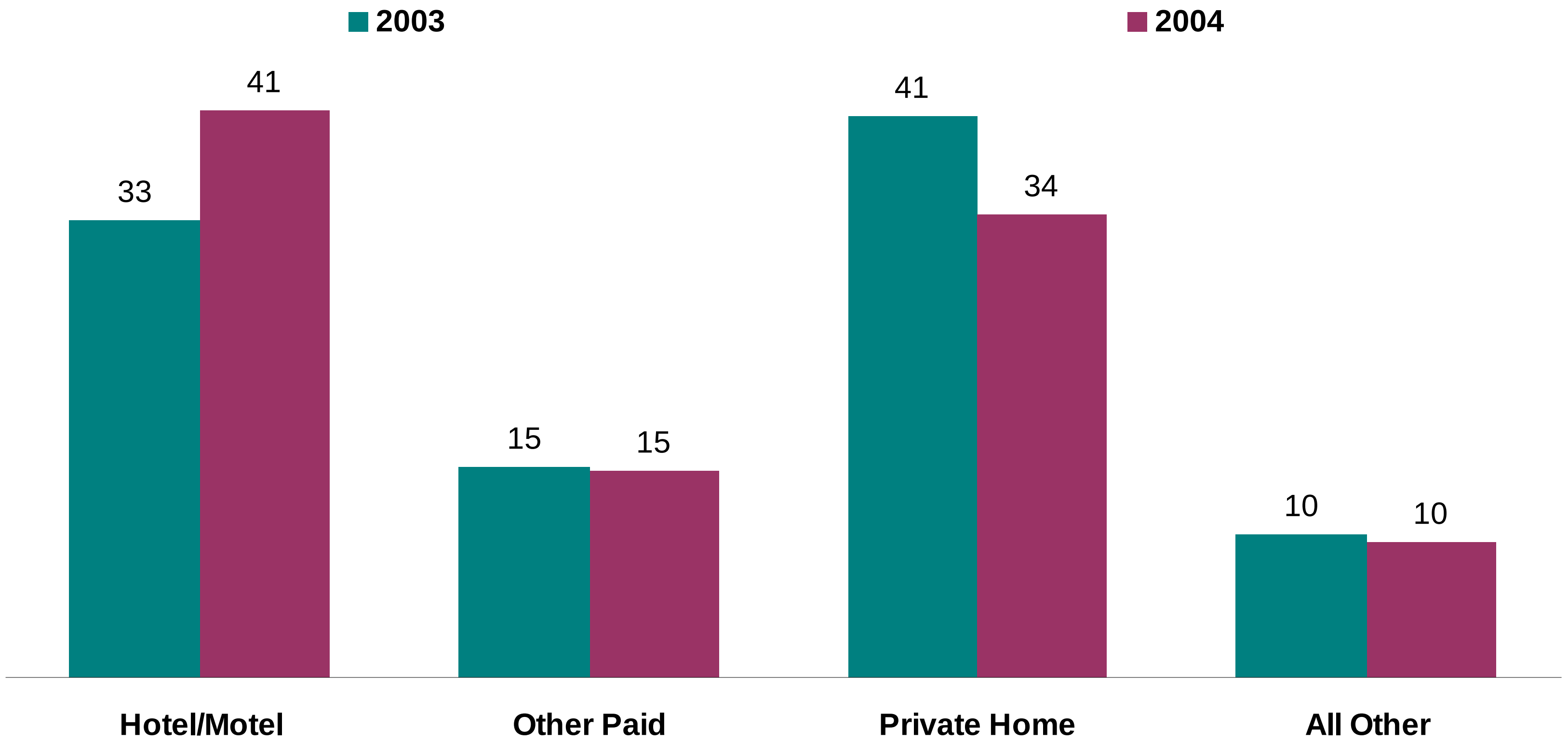
Utah Accommodations Type
(2003 vs. 2004/% of Overnight Leisure Person-Trips)

- Share of stays in paid hotel/motel accommodations rose significantly among Utah ONL travelers from 2003 to 2004, up 8 percentage points.
- This rise came at the expense of stays in private home accommodations.



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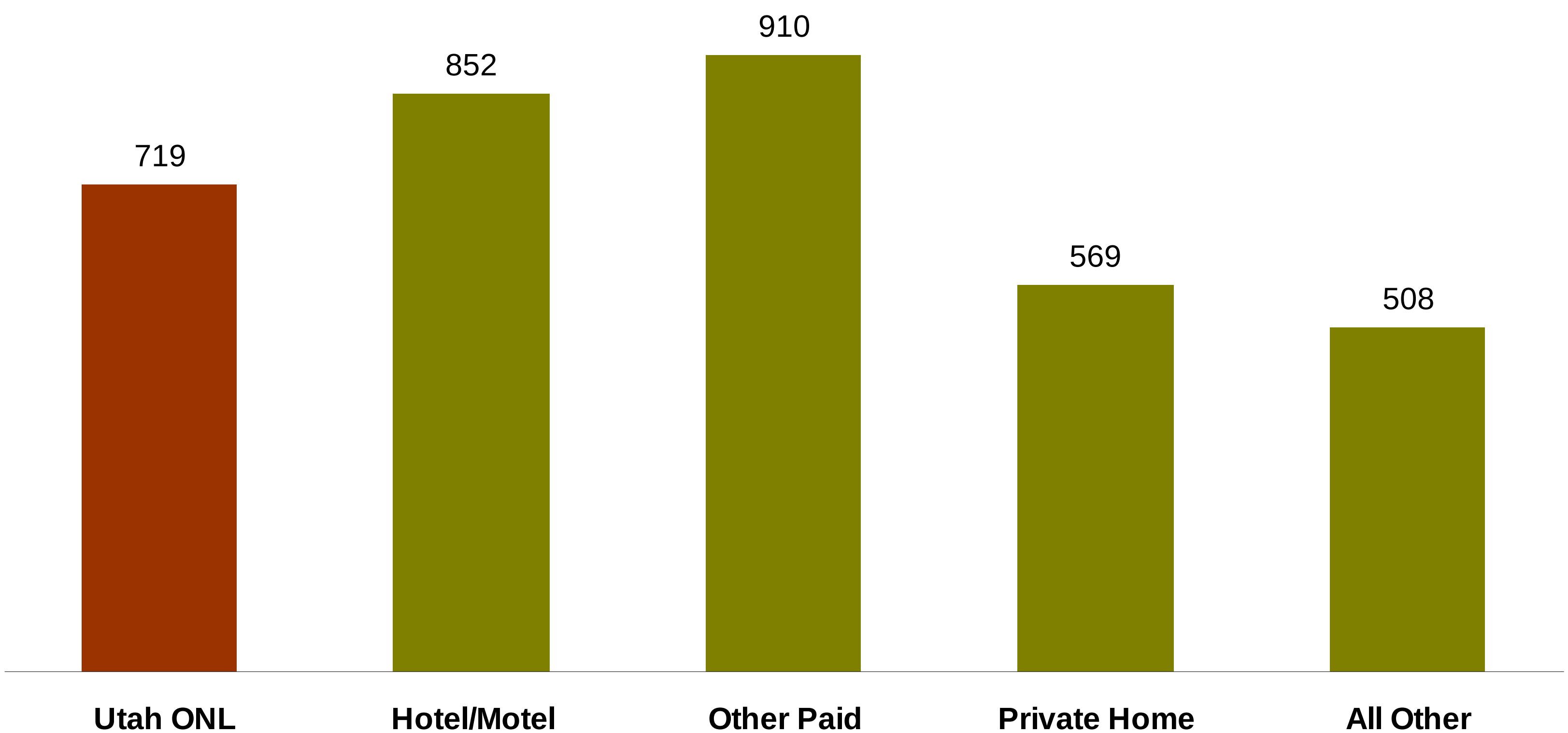
Utah Avg. Party per Trip Spending by Accommodations Type

(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- Those Utah ONL visitors who stayed in Other Paid accommodations (which can include timeshares, Bed & Breakfast establishments, etc.) spent the most per party per trip, although this group still only comprised 15% of the market in 2004.
- Utah ONL visitors who stayed in paid hotel/motel accommodations spent the next highest per party per trip. This high spending level is important because they comprise the majority of the



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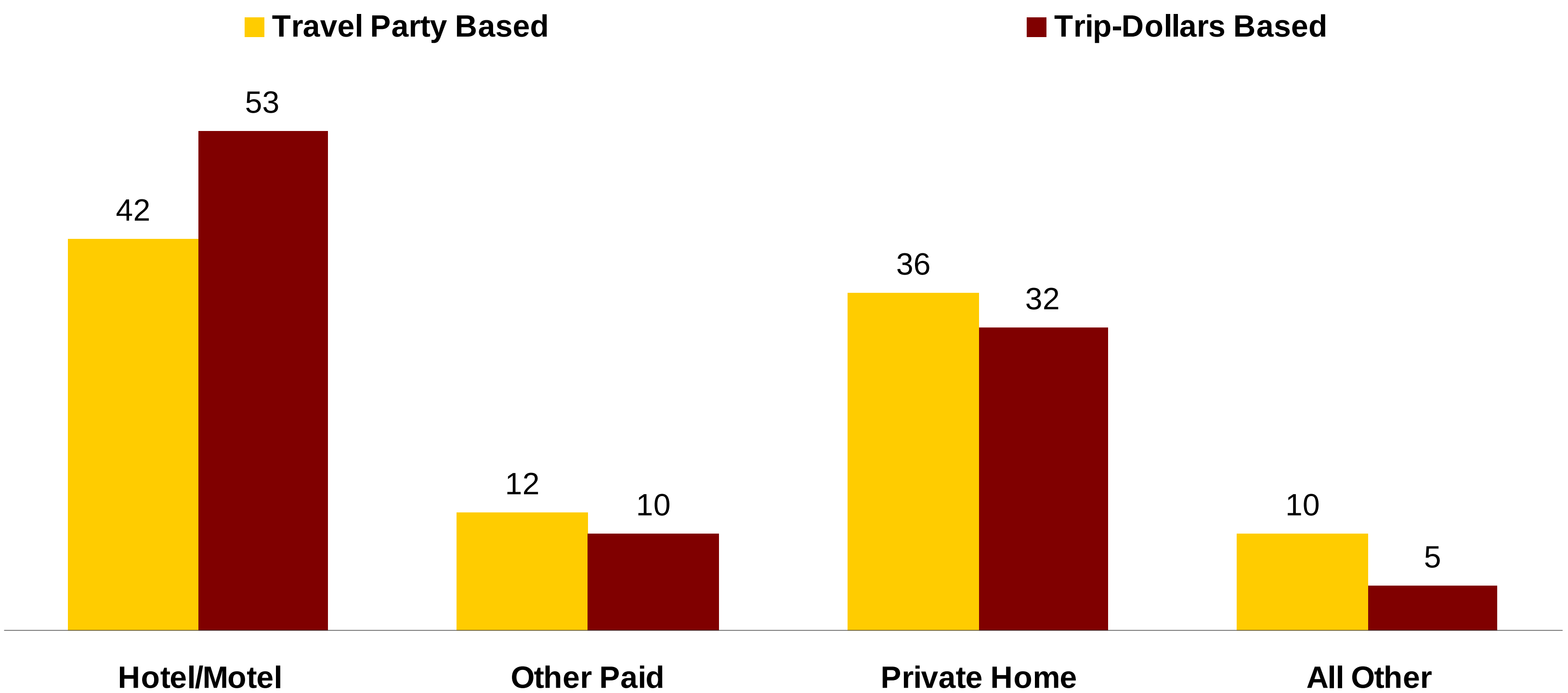
Utah Accommodations Type Comparison
(2002, 2003, 2004/% of Overnight Leisure)

- Utah ONL travel parties contributed both the highest share of travel parties and an even higher share of trip-dollars, making this group an extremely important visitor group for the state.
- All other accommodation type segments contributed lower shares of trip-dollars than travel parties during 2002-2004.



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Positioning Intelligence Summary

- VFR travel is strong and important
  - VFR travel is the main reason Utah ONL travelers visit, as in each of its competitors except one
  - Reliable repeat travelers who contribute the highest shares of both travel parties and trip-dollars
- General Vacation travel also important market segment
  - Spend the most per party per trip
  - Provides the second highest shares of travel parties and trip dollars
  - Utah had a higher share of General Vacation travel than the US, but its share was similar to that of the Comp Set.
- Family travel dominates the Utah ONL market providing 46% of visitors
  - Much higher than the US and competing destinations
  - Thus, party size was larger than other destinations
  - Couples increased in share, while share of Adults Traveling Alone declined
  - Families provided the highest shares of both travel parties and trip dollars
  - Parties of 3 or more Adults spent the most per party per trip
- Utah ONL travelers stayed longer in 2004
  - 1 night stay share declined and was replaced by increases in share of visitors staying 2 to 3 nights and more than a week
  - A good sign b/c longer stays = more $$$ spent in Utah!

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DKS&A DIRECTIONS®

Positioning Intelligence Summary

- Utah ONL travelers spend less, on average
  - Relative to competing destinations
  - Utah ONL travelers spend a higher share of their travel dollars on Transportation and a lower share on Entertainment relative to the Comp Set.
  - Utah ONL travelers spend the most on Transportation and Food costs
- Sightseeing, Dining, Shopping and National/State Parks visitation were Utah's top activities among ONL visitors
  - Utah is a strong outdoor activity destination
  - Utah was stronger than the average US destination in Hiking/Biking, Snow Skiing, Adventure Sports, Nature/Eco Travel, Camping, Group Tour, and Historic Site Visitation and equal for Golfing
  - Utah maintained or increased participation in its top 5 activities – a positive sign given that increased activity participation generally equates increased spending levels
  - Snow Skiers spend the most per party per trip
- Over three quarters travel to/within Utah by Auto
  - Share of Auto travel was higher in Utah than in the Comp Set, while Utah's share of Air travel was lower
  - Air travel dropped slightly from 11% in 2003 to 8% in 2004
- Spring and Summer are most popular travel months for Utah ONL market
  - Share swapped from Summer to Spring from 2003 to 2004
  - Summer travelers are the lowest spenders, while Winter travelers are the highest

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Positioning Intelligence Summary

- Paid hotel/motel accommodation stays grew stronger in 2004
  - Paid hotel/motel stays grew from 33% to 41% and replaced stays in private homes (down from 41% to 34%)
  - Although only 15% of the market, Utah ONL travelers who stayed in Other Paid accommodation such as timeshares, bed and breakfast, and resort accommodations are the highest spenders
  - Growth in share of paid hotel/motel stays coincides well with increased satisfaction, value and service ratings for hotels from 2003 to 2004!

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Communicating Introduction

Communicating information helps travel marketers and planners know the key markets that generate the destination's largest share of visitors. This information can help destinations launch marketing communications to markets that are likely to convert "lookers to bookers". This information also looks at the competition and their share of key origin market visitation.

- Top Origin Regions
- Top Origin States
- Top Origin DMAs
- Utah Outbound Competitive Analysis
- Origin DMA Spending and Competitive Analysis
- Travel Distance

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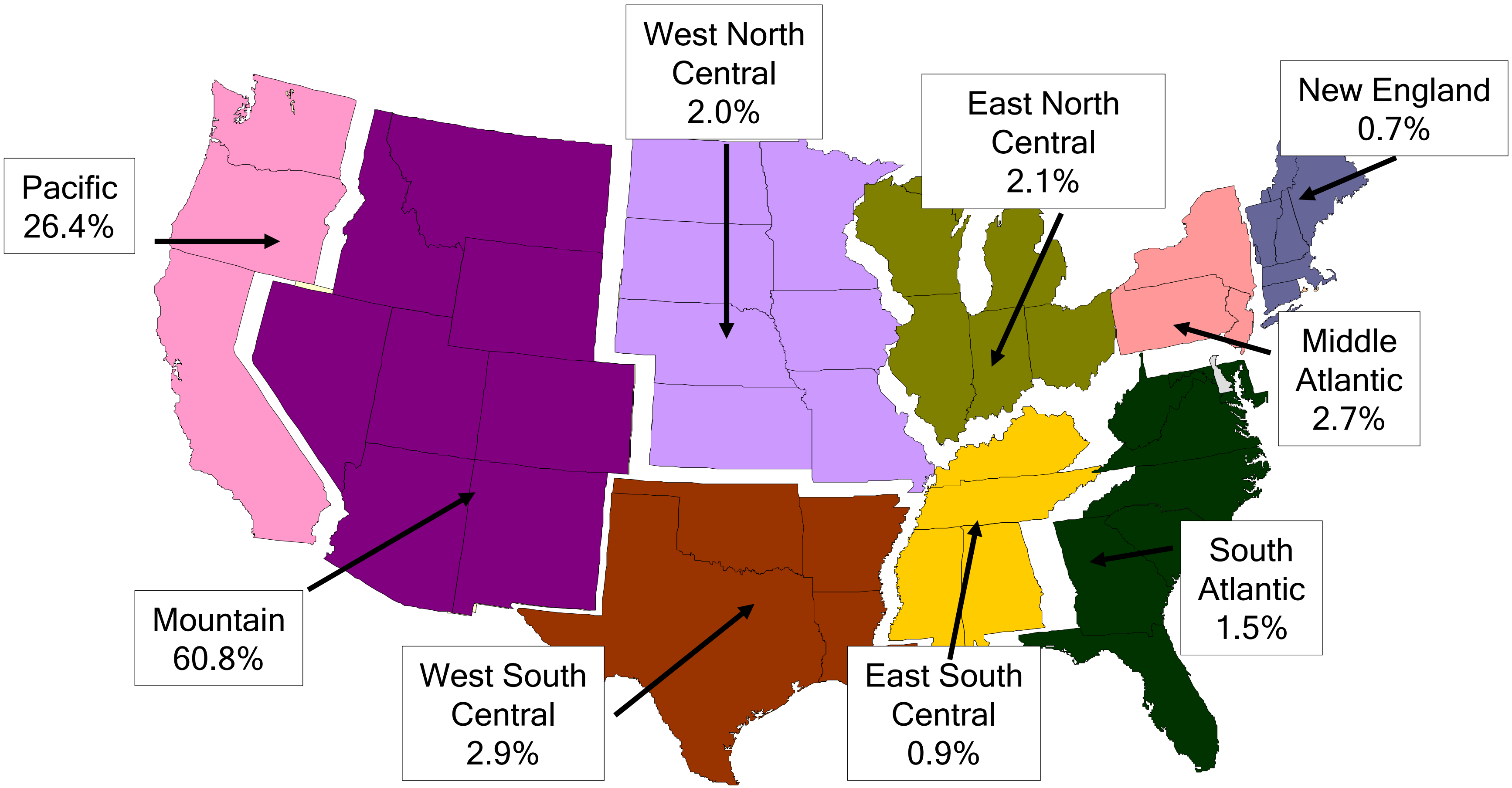
Top Origin Regions for Travel to Utah
(2004/% of Overnight Leisure Person-Trips)

The U.S. Bureau of Census groups states into nine regions. Close to two-thirds of Utah Overnight Leisure visitors live in the Mountain region (61%). Visitors live throughout the country, but an additional 26% live in the populous Pacific region.



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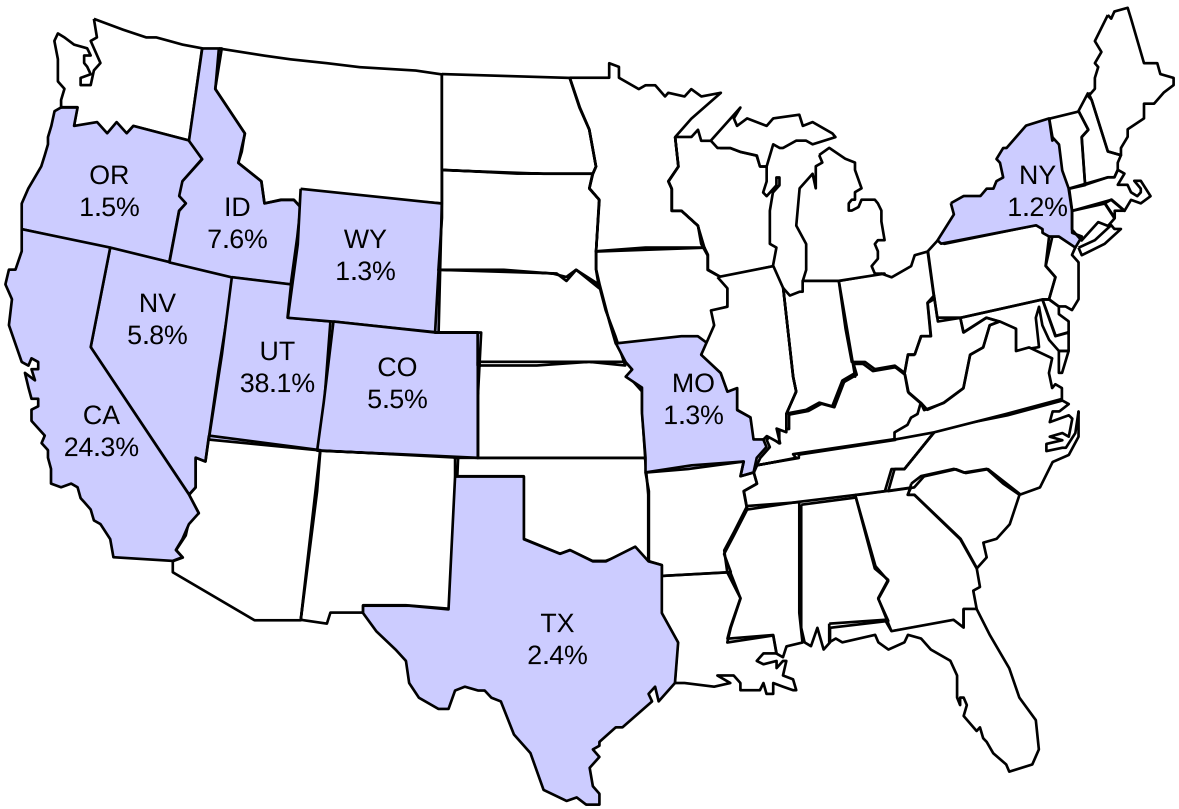
Utah Top Origin States
(2004/% of Overnight Leisure Person-Trips)

- The highest share of Utah ONL visitors come from within the state of Utah itself. The top ten states produce 89% of Utah ONL visitors.



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Competitive Destinations for Utah's Top Origin Market
(2004/% of Overnight Leisure Person-Trips)

- The chart below shows Utah's share of outbound Overnight Leisure travelers from its top origin market of the Salt Lake City, DMA.
- Example of the way to read the chart: "Of those ONL travelers who live in the Salt Lake City DMA, the majority are traveling within Utah (44%), 10% to NV, 10% to CA, 9% to Idaho, etc.

Salt Lake City

44.0% Utah
10.3% Nevada
9.7% California
9.1% Idaho
4.8% Wyoming
3.3% Arizona
3.2% Colorado
1.8% Oregon

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Shift in Travel to Competitive Destinations for Top Utah Origin Market of Salt Lake City DMA
(2002-2004 vs. 1998-2000/Overnight Leisure Person-Trips)

- The data below represents gains and losses of travel share by market for Salt Lake City DMA travel.
- From the time period of 1998-2000 to the time period of 2002-2004, Utah gained a minimal share of Salt Lake City DMA's ONL travel market.
- California and Texas gained the most share of Salt Lake City DMA ONL travel.

	Salt Lake City
Utah	0.01%
Colorado	0.14%
Arizona	-0.01%
Nevada	0.04%
Idaho	0.18%
Montana	0.00%
Wyoming	0.02%
California	**0.62%**
Texas	0.27%
New Mexico	0.06%

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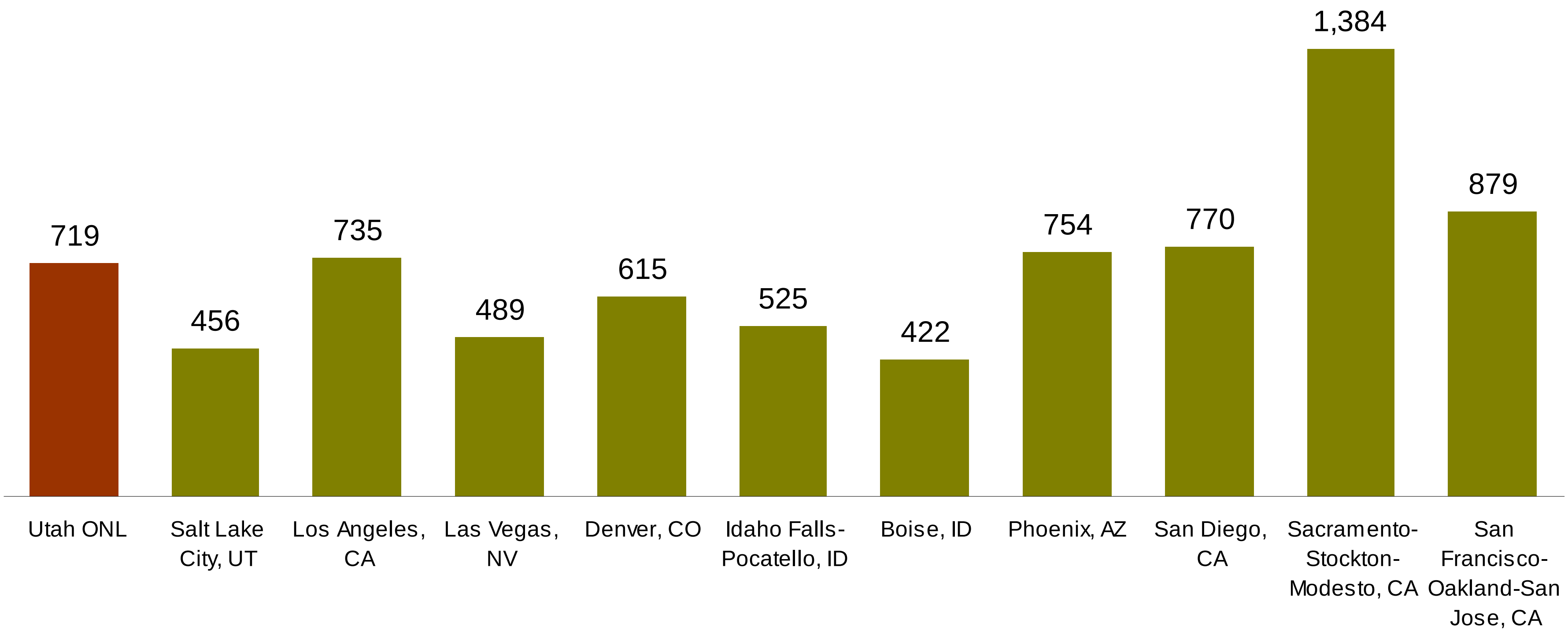
Utah Avg. Party per Trip Spending by Origin DMA
(2002, 2003, 2004/$ Overnight Leisure Travel Parties)

- From 2002-2004, travel parties from the Sacramento-Stockton-Modesto, CA DMA were the highest spenders on their Utah trip.
- Generally speaking, the CA ONL visitors tended to be the higher spenders, along with visitors from Phoenix, AZ.



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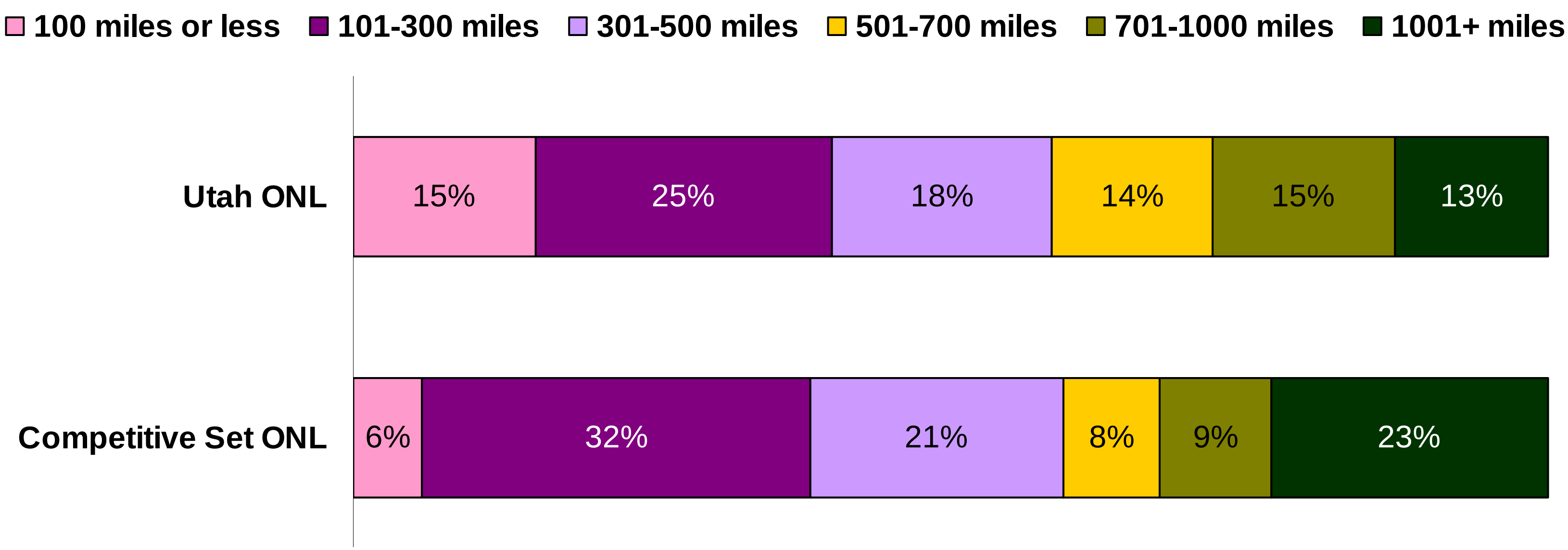
Utah and Competitive Set Travel Distance Distribution

(2004/% of Overnight Leisure Person-Trips)

- The average Utah ONL visitor traveled 530 miles one-way from home in 2004, up 21% from 468 miles in 2003. ONL travelers to Utah's Comp Set traveled from further distances, on average, with an average distance traveled of 643 miles one way in 2004.
- Utah had a stronger close-in market than the Comp Set, with more than double the share of travelers coming from within 100 miles of the Utah stay destination.



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Communicating Intelligence Summary

- **Utah draws mainly from the Mountain and Pacific Regions of the US**
  - Residents of the state provide the highest share of ONL travel, followed by CA
- **Salt Lake City, Los Angeles and Las Vegas DMAs are Utah's top 3 feeder markets**
  - True in terms of the share of visitors, the share of travel parties and the share of trip dollars
  - However, on the Los Angeles DMA visitors have higher than average travel party spending per trip.
    - ONL travelers from the Sacramento-Stockton-Modesto DMA outspend all other markets in terms of per party spending in Utah
- **Utah ONL visitors came from further distances, on average**
  - Avg. distance traveled increased 21% from 468 miles to 530 miles
  - This increase occurred despite a decline in share of travel by Air
  - Utah has the lowest one way distance traveled relative to competing destinations
- **Utah has lost share of travel from 4 of its top 5 origin markets from 1998-2000 vs. 2002-2004.**
  - Markets include LA, Las Vegas, Denver and Idaho Falls-Pocatello
  - Utah gained share of travel from Salt Lake City DMA

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Conclusions and Recommendations

Play Up the Positives & Sell Utah's Strengths!

- Utah visitors rate the destination and its hotels very well and the ratings are improving
- Utah has a very strong and unique GenX, family-oriented market relative to competitors
- Keep an eye on the older 55+ high income, no children market – they are growing and are big spenders
- Income levels have grown…encourage higher spending
- VFR travelers – <u>don't ignore them</u> – they are a high portion of visitors and travel dollars and word of mouth advertising is FREE!
  - Educate resident hosts!
- General vacationers are also important – second place for visitation and $$$ and they are the highest spenders while on their trip
- Families and Couples are the primary targets
- Continue to encourage longer stays = more $$$ spent in market
- Outdoor activities are stronger in Utah than in the US! Sell National/State Parks, Hiking/Biking, Camping, Nature travel, Adventure Sports, and Snow Skiing
  - Keep in mind that Outdoor activity product and participation are also strong in several of Utah's competing destinations.
- Shopping and Group Tours increased – keep in mind <u>packaging opportunities</u>!
- Skiiers are the highest spenders – although they have lower participation, they spend the highest amount per trip than any other traveler.
  - Other high spenders include Theme Park visitors, Golfers and Adventure Sports tourists

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Conclusions and Recommendations

Play Up the Positives & Sell Utah's Strengths!

- National/State Park visitors also spend more than average
- Auto travel share increased – promote scenic by-ways and group tours
- Pay attention to the Spring - emerging to host the same amount of visitors as Summer and these travelers spend more per trip than Summer travelers
- Winter travelers spend the most – a likely reflection of Skiers who spend the most
- More visitors are staying in Utah's hotels – a good sign = more $$$
  - Continue to keep meeting or exceeding Utah hotel guest expectations
- Advertise in the West
  - Particularly CA and NV…and don't forget resident and day trippers!
- Focus on gaining back share of travel from LA, Las Vegas, Denver and Idaho Falls

Stay Tuned…Coming Soon!

- Measurement of actual visitors and visitor spending, including Business sector performance
- Detail on Salt Lake County region and the Southern Utah/National Parks region Overnight Leisure markets

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THANK YOU!

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